

# **ING BELGIUM INTERNATIONAL FINANCE S.A.**

**EUR 10,000,000,000 Issuance Programme**

**Unconditionally and irrevocably guaranteed by  
ING Belgium SA/NV**

Prospective investors should have regard to the factors described under the section headed “Risk Factors” in Chapter 1 of this Base Prospectus.

**Arranger and Dealer  
ING COMMERCIAL BANKING**

**BASE PROSPECTUS**

**Dated 29 June 2012**

This Base Prospectus (the “Base Prospectus”) replaces the base prospectus relating to the Programme dated 5 July 2011.

The Notes issued under the Programme shall include (but not limited to) (i) medium term Notes (“Medium Term Notes”), (ii) Notes whose return is linked to shares (“Share Linked Notes”), indices (“Index Linked Notes”), funds (“Fund Linked Notes”) or a managed portfolio of assets (“Dynamic and Static Portfolio Notes”), (iii) credit linked Notes (“Credit Linked Notes”), (iv) inflation linked Notes (“Inflation Linked Notes”), (v) Notes which are exchangeable for shares of third parties (“Exchangeable Notes”), (vi) Notes whose return is linked to commodities (“Commodity Linked Notes”) and (vii) Notes whose return is linked to commodity indices (“Commodity Index Linked Notes”), including certain combinations thereof. Such Notes may also constitute, among others, fixed rate notes (“Fixed Rate Notes”), floating rate Notes (“Floating Rate Notes”), dual currency Notes (“Dual Currency Notes”) and zero coupon Notes (“Zero Coupon Notes”).

The Warrants may be of any kind, including (but not limited to) Warrants relating to indices, shares, debt instruments, currencies or commodities. Any Obligations of the Issuer will be entered into pursuant to separate documentation relating thereto. No subordinated Notes nor undated Notes may be issued under the Programme.

Notes may be issued in unitized form (“Units”) and reference in this Base Prospectus to Notes shall also include units. Units shall have an individual issue price instead of a (specified) denomination and where reference in the Base Prospectus is made to a minimum (specified) denomination for Notes, such term shall be deemed to include references to a minimum issue price for Units.

Notes and Warrants may be denominated in any currency determined by the Issuer and the Dealer (if any, and as defined below). Reference to “Noteholders” are to holders of the Notes. Reference herein to “Warrantholders” are to holders of Warrants.

Subject as set out herein, the Notes will be subject to such minimum or maximum maturity as may be allowed or required from time to time by any regulatory authority or any laws or regulations applicable to the Issuer or the relevant Specified Currency (as defined herein). The maximum aggregate nominal amount of all Notes and Obligations from time to time outstanding will not exceed EUR 10,000,000,000 (or its equivalent in other currencies calculated as described herein). There is no limit on the number of Warrants which may be issued under the Programme.

Neither the Notes nor the guarantee of the Guarantor will contain any provision that would oblige the Issuer or the Guarantor to gross-up any amounts payable thereunder in the event of any withholding or deduction for or on account of taxes levied in any jurisdiction.

The Notes and Warrants will be issued on a continuing basis by the Issuer to purchasers thereof.

This Base Prospectus was approved by the CSSF in Luxembourg for the purposes of the Prospectus Directive on the prospectus to be published when securities are offered to the public or admitted to trading (the “Prospectus Directive”). Prospectus Directive means Directive 2003/71/EC dated 4 November 2003 (and amendments thereto, including Directive 2010/73/EU (the “2010 PD Amending Directive”), to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State. The CSSF gives no undertaking as to the economic or financial opportuneness of the transaction or the quality and solvency of the Issuer in line with the provisions of article 7 (7) of the Luxembourg Law on prospectuses for securities.

The CSSF has provided the Financial Services and Markets Authority, the competent authority in Belgium, with a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Directive.

Application has been made for the Notes and Warrants to be issued under the Programme during the period

of 12 months from the date of this Base Prospectus (i) to be listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (the “Luxembourg Stock Exchange”) and/or on a regulated market of Borsa Italiana S.p.A. (the “Italian Stock Exchange”) and (ii) to be offered to the public in Belgium, Italy and Luxembourg. The Luxembourg Stock Exchange’s Regulated Market and the regulated markets of the Italian Stock Exchange are regulated markets for the purposes of the Markets in Financial Instruments Directive 2004/39/EEC (each a “Regulated Market”). The Notes and Warrants may also be offered to the public in Switzerland. The Notes and Warrants may be listed on such other or further stock exchange or stock exchanges as may be determined by the Issuer and as specified in the applicable Final Terms, and may be offered to the public also in other jurisdictions in compliance with any applicable laws as may be determined by the Issuer and as specified in the applicable Final Terms. The Issuer may also issue unlisted and/or privately placed Notes and Warrants. References in this Programme to Notes or Warrants being “listed” (and all related references) shall mean that such Notes or Warrants have been listed on the official list of the Luxembourg Stock Exchange and have been admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and/or the Italian Stock Exchange and/or such other stock exchange(s) which may be agreed and which are specified in the applicable Final Terms.

The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable). A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. Over the course of the past years, the Guarantor has from time to time been subject to its ratings being lowered. Standard & Poor’s Credit Market Services Europe Limited, Moody’s France SAS and Fitch Ratings Ltd. are established in the European Union and are registered under the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended from time to time (the “CRA Regulation”).

The Programme and Tranches of Notes and Warrants issued under the Programme will not be rated.

The Issuer may decide to issue Notes or Warrants in a form not contemplated herein by the various terms and conditions of the Notes or Warrants, as the case may be. In any such case, supplemental information will be given in an annex to the Final Terms or a supplement to this Base Prospectus, if appropriate, and will be made available which will describe the form of such Notes or Warrants.

**Switzerland: The Notes and the Warrants being offered pursuant to this Base Prospectus do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**

*Chapter 1 of this Base Prospectus contains general information relating to the various types of Notes and Warrants that may be offered under the Programme. Such information should always be read in conjunction with the relevant product Chapter(s) set out in Chapters 2 through 12.*

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## CHAPTER 1

### SUMMARY OF THE PROGRAMME

This summary must be read as an introduction to this Base Prospectus dated 29 June 2012 and any decision to invest in the Notes and/or Warrants should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. Civil liability in respect of this summary, including any translation thereof, will attach to the Issuer and the Guarantor as the case may be in any Member State of the EEA in which the relevant provisions of the Prospectus Directive have been implemented, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to the information contained in this Base Prospectus is brought before a court in such a Member State, the plaintiff investor may, under the national legislation of that Member State, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Where the Notes qualify as notes which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the Electronic Bond Market (“MOT”) or on any other Italian regulated or unregulated market, all references to the “Notes” shall be deemed to be references to Italian bonds (the “Italian Bonds”). References herein to “Italian Bonds” shall be references to any Tranche of Notes designated by the Issuer as “Italian Bonds” in the applicable Final Terms.

Where the Notes qualify as “securitised derivatives” (as defined in Article 2.2.19 of the Rules of the Markets Organised and Managed by Borsa Italiana S.p.A.) and/or as “certificates” (as defined in Article 2 Section 1(g) of Consob Regulation No. 11971/1999) to be offered in Italy and/or which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the market for securitised derivative financial instruments (“SeDeX”) or on any other Italian regulated or unregulated market (the SedeX or any other Italian regulated or unregulated market, each an “Italian Market”), all references to “Notes” shall be deemed to be references to Italian certificates (the “Italian Certificates”). References herein to “Italian Certificates” shall be references to any Tranche of Notes designated as “Italian Certificates” in the applicable Final Terms.

**Issuer** ING Belgium International Finance S.A. (“IBIF”)  
 IBIF is a wholly-owned, non-listed subsidiary of ING Belgium SA/NV, providing ING Belgium SA/NV and more broadly all entities of ING with financing.  
*Further information in relation to the Issuer is set out in “Chapter 1 — ING Belgium International Finance S.A.”.*

**Guarantor** ING Belgium SA/NV. The Guarantor is part of ING Groep N.V. (“ING Group”). ING Group is the holding company of a broad spectrum of companies (together called “ING”) offering banking, investments, life insurance and retirement services to meet the needs of a broad customer base.

Based on market capitalisation, ING Group is one of the 20 largest financial institutions in Europe (source: MSCI, Bloomberg, 31 December 2011). ING Group is a listed company and holds all shares of ING Bank, which is a non-listed 100% subsidiary of ING Group. ING is in the process of separating its banking and insurance operations (including its investment management operations) and developing towards a mid-sized international Bank, anchored in the Netherlands and Belgium, and predominantly focused on the European retail market with selected growth options elsewhere. ING Group is also moving forward with its plans to divest its insurance operations (including its investment management operations) over the following two years. ING Group conducts its banking operations principally through

ING Bank and its insurance operations (including its investment management operations) principally through ING Verzekeringen N.V. and its subsidiaries.

ING Bank is a large international player with an extensive global network in over 40 countries. It has leading banking positions in the home markets of The Netherlands, Belgium, Luxembourg, Germany and Poland. Furthermore, ING Bank has key positions in other Western, Central and Eastern European countries and Turkey. This is coupled with options outside of Europe which will give ING Bank interesting growth potential in the long term. Since 1 January 2011 ING Bank has been operating as a stand-alone business under the umbrella of ING Group.

The Guarantor is a wholly-owned, non-listed subsidiary of ING Bank which in its turn is a wholly-owned, non-listed subsidiary of ING Groep N.V. The Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Issuer under the Notes and the Warrants. Its obligations in that respect are contained in a Declaration of Guarantee (as defined in Chapter 1 of this Base Prospectus).

***Further information in relation to the Guarantor is set out in “Chapter 1 — ING Belgium SA/NV”.***

**General Risk  
Factors**

- There are certain factors which are material for the purpose of assessing the risks associated with an investment in Notes and Warrants issued under the Programme. If a prospective investor does not have sufficient knowledge and experience in financial, business and investment matters to permit it to make such an assessment, the investor should consult with its independent financial adviser prior to investing in a particular issue of Notes or Warrants. Notes and Warrants may not be a suitable investment for all investors. The Issuer and the Guarantor are acting solely in the capacity of an arm’s length contractual counterparty and not as a purchaser’s financial adviser or fiduciary in any transaction unless the Issuer or the Guarantor have agreed to do so in writing. Investors risk losing their entire investment or part of it if the value of the Notes or Warrants does not move in the direction which they anticipate. Notes and/or Warrants are generally complex financial instruments. A potential investor should not invest in Notes and/or Warrants which are complex financial instruments unless it has the expertise (either alone or with an independent financial adviser) to evaluate how the Notes and/or Warrants will perform under changing conditions, the resulting effects on the value of the Notes and/or Warrants and the impact this investment will have on the potential investor’s overall investment portfolio.
- If application is made to list Notes or Warrants on a stock exchange, there can be no assurance that a secondary market for such Notes or Warrants will develop or, if it does, that it will provide holders with liquidity for the life of the Notes or Warrants.
- Prospective purchasers intending to purchase Notes or Warrants to hedge against the market risk associated with investing in a security, index, currency, commodity or other asset or basis of reference, should recognise the complexities of utilising Notes and Warrants in this manner. For example, the value of the Notes and Warrants may not exactly correlate with the value of the security, index, currency, commodity or other asset or basis.
- The Calculation Agent for an issue of Notes and Warrants is the agent of the Issuer and not the agent of the holders of the Notes or Warrants. The Guarantor will itself be the Calculation Agent for most issues of Notes and Warrants. In making determinations and adjustments, the Calculation Agent will be entitled to

exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

- An investor's total return on an investment in Notes or Warrants will be affected by the level of fees charged to the investor, including fees charged to the investor as a result of the Notes or Warrants being held in a clearing system. Investors should carefully investigate these fees before making their investment decision.
- The Issuer, the Guarantor and its affiliates may engage in trading activities related to interests underlying any Notes or Warrants, may act as underwriter in connection with future offerings of shares or other securities related to an issue of Notes or Warrants, or may act as financial adviser to certain companies whose securities impact the return on Notes or Warrants. Such activities could present certain conflicts of interest and could adversely affect the value of such Notes or Warrants.
- Investors are exposed to the Issuer's or the Guarantor's risk of insolvency (bankruptcy or payment default), which may result in the partial or total loss of the invested capital and the non recovery of all unpaid coupons.

***For more details on the general risk factors affecting Notes and Warrants to be issued under the Programme, see Part 1 of the "Risk Factors" section of Chapter 1.***

**Risk factors  
relating to the  
Issuer**

The Issuer is not an operating company. The Issuer's sole business is the raising and borrowing of money by issuing securities or other obligations. The Issuer has, and will have, no assets other than fees payable to it, or other assets acquired by it, in each case in connection with the issue of the Notes and Warrants or entry into other obligations relating to the Programme from time to time. The net proceeds from each issue of Notes will become part of the general funds of the Issuer. The Issuer may use such proceeds to maintain positions in certain hedging agreements. The ability of the Issuer to meet its obligations under Notes and Warrants issued by it will depend on the receipt by it of payments under the relevant hedging agreements entered into with the Guarantor. Consequently, the Issuer is exposed to the ability of the Guarantor as its counterparty in respect of such hedging agreements to perform its obligations under such hedging agreements.

**Risk factors  
relating to the  
Guarantor**

There are certain factors that may affect the Guarantor's ability to fulfil its obligations under Notes and Warrants issued under the Programme. These include the following risk factors related to the Guarantor as a bank and its industry:

- (i) Because the Guarantor is part of a financial services company conducting business on a global basis, its revenues and earnings are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which it conducts business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect the profitability and solvency of the Guarantor.
- (ii) Adverse capital and credit market conditions may impact the Guarantor's ability to access liquidity and capital, as well as the cost of credit and capital.
- (iii) The default of a major market participant could disrupt the markets.
- (iv) Because the Guarantor's businesses are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the Guarantor may experience an abrupt interruption of activities, which could have an adverse effect on its financial condition.
- (v) The Guarantor operates in highly regulated industries. There could be an adverse change or increase in the financial services laws and/or regulations



governing its business.

- (vi) Turbulence and volatility in the financial markets have adversely affected the Guarantor, and may continue to do so.
- (vii) Because the Guarantor operates in highly competitive markets, including its home market, it may not be able to increase or maintain its market share, which may have an adverse effect on its results of operations.
- (viii) Because the Guarantor does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on the Guarantor's results of operations.
- (ix) Market conditions observed over the last year may increase the risk of loans being impaired. The Guarantor is exposed to declining property values on the collateral supporting residential and commercial real estate lending.
- (x) Interest rate volatility and other interest rate changes may adversely affect the Guarantor's profitability.
- (xi) The Guarantor may incur losses due to failures of banks falling under the scope of state compensation schemes.
- (xii) The Guarantor may be unable to manage its risks successfully through derivatives.
- (xiii) The Guarantor may be unable to retain key personnel.
- (xiv) Because the Guarantor uses assumptions to model client behaviour for the purpose of its market risk calculations, the difference between the realisation and the assumptions may have an adverse impact on the risk figures and future results.
- (xv) The Guarantor may incur further liabilities in respect of its defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations, including as a result of differences between results and underlying actuarial assumptions and models.
- (xvi) The Guarantor's risk management policies and guidelines may prove inadequate for the risks it faces.
- (xvii) The Guarantor is subject to a variety of regulatory risks as a result of its operations in certain countries.
- (xviii) Because the Guarantor is continually developing new financial products, it might be faced with claims that could have an adverse effect on its operations and net results if clients' expectations are not met.
- (xix) Ratings are important to the Guarantor's businesses for a number of reasons. Downgrades could have an adverse impact on the Guarantor's operations and net results.
- (xx) The Guarantor's businesses may be negatively affected by a sustained increase in inflation.
- (xxi) Operational risks are inherent in the Guarantor's businesses.
- (xxii) The Guarantor's businesses may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such businesses, other well-known companies or the financial services industry in general.
- (xxiii) The implementation of ING's restructuring plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of ING and involve significant costs and uncertainties that could materially impact ING Bank and the Guarantor.
- (xxiv) Upon the implementation of its restructuring plan, ING will be less diversified and ING Bank and the Guarantor may experience competitive and other disadvantages.

Though the Guarantor has put in place risk management policies, procedures and methods it could still be exposed to unidentified or unanticipated risks, which could lead to material losses. Adverse market or economic conditions may harm its overall profitability. Investors should note that they are exposed to the Guarantor's risk of insolvency (bankruptcy or payment default), which may result in the partial or total loss of the invested capital and the non recovery of all unpaid coupons.

***For more details on the risk factors relating to the Guarantor, see Part 2 of the section headed “Risk Factors” in chapter 1.***

**Risk Factors  
relating to  
Notes**

Capitalised Terms have the same meaning as defined in the Terms and Conditions of the Medium Term Notes (the “General Conditions”) and in the specific Chapters 3 to 11 (inclusive).

- The Issuer or the Guarantor, as the case maybe, will pay principal and interest on the Notes in a specified currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than the specified currency.
- All payments to be made by the Issuer or the Guarantor, as the case may be, in respect of the Notes and the Warrants will be made subject to any tax, duty, withholding or other payment which may be required. Noteholders will not receive grossed-up amounts to compensate for any such required reduction.
- An optional redemption feature in any Notes may negatively impact their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. Noteholders subject to optional redemption likely will not be able to invest their proceeds of redemption at such an attractive rate of interest.
- The Issuer may issue Notes with principal or interest determined by reference to a particular share, index, fund, security, inflation index, formula, commodity, commodity index, currency exchange rate, dividend and/or cash payment on a share or other factor (each a “Relevant Factor”). The Issuer may issue Notes with the amount(s) of principal and/or interest payable determined by reference to the credit of one or more Reference Entities and the obligations of such Reference Entity/ies. In addition, the Issuer may issue Dual Currency Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:
  - (i) the market price of such Notes may be very volatile. The market price of the Notes at any time is likely to be affected primarily by changes in the level of the Relevant Factor to which the Notes are linked. It is impossible to predict how the level of the Relevant Factor will vary over time;
  - (ii) such Notes may involve interest rate risk, including the risk of Noteholders receiving no interest;
  - (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
  - (iv) they may lose all or a substantial portion of their principal;
  - (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies, securities, indices or funds;
  - (vi) a Relevant Factor connected to emerging markets may be subject to significant fluctuations attributable to, among other things, nationalisation, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions;

- (vii) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified;
- (viii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant Factor, the greater the effect on yield;
- (ix) with respect to Share Linked Notes, if the Notes may be redeemed by delivery of the underlying shares, there is no assurance that the value of the shares received will not be less than the principal amount of the Notes;
- (x) with respect to Credit Linked Notes, the value and the amount(s) of principal and/or interest payable will be linked to the creditworthiness of the relevant Reference Entity/ies, which value and/or amount(s) may generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity/ies, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates and/or the occurrence of a Credit Event (or other Termination Event);
- (xi) Notes are of limited maturity and, unlike direct investments in a share, index, fund, security, inflation index, commodity, commodity index, or other asset, investors are not able to hold them beyond the Maturity Date in the expectation of a recovery in the price of the underlying; and
- (xii) the price at which an investor will be able to sell Notes prior to the Maturity Date may be at a substantial discount to the market value of the Notes at the time they are issued depending on the performance of the Relevant Factor.
- The Issuer may issue Fixed Rate Notes. Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes.
- The Issuer may issue Partly-Paid Notes, where an investor pays part of the purchase price for the Notes on the issue date, and the remainder on one or more subsequent dates. Potential purchasers of such Notes should understand that a failure by a Noteholder to pay any portion of the purchase price when due may trigger a redemption of all of the Notes by the Issuer and may cause such purchaser to lose all or part of its investment.
- The Issuer may issue Notes with principal or interest determined by reference to the performance of an underlying fund or a basket of underlying funds. Potential investors in such Notes should understand that:
  - (i) there are market risks associated with an actual investment in the underlying fund(s), and though the Notes do not create an actual interest in the underlying fund(s), the return on the Notes generally involves the same associated risks as an actual investment in the underlying fund(s);
  - (ii) third parties may subscribe for and redeem underlying fund interests, which may affect the performance and volatility of such fund's net asset value and the return on the Notes;
  - (iii) any performance of the underlying fund(s) necessary for the Notes to yield a specific return is not assured;
  - (iv) the value of units in the underlying fund(s) and the income from them may fluctuate significantly, and may be materially affected by, among other things, market trends, exchange rate fluctuations and political and

- economic developments in the countries in which such fund invests;
- (v) trading and other costs incurred by funds affect their net asset value; and
  - (vi) the underlying fund(s) may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any person.
- The Issuer may issue Dynamic and Static Portfolio Notes, which are securities with principal and interest determined by reference to the performance of a dynamic or static portfolio. Potential investors in Dynamic and Static Portfolio Notes should understand that:
    - (i) the master portfolio is a notional investment with no separate legal personality. Potential investors will not have an interest in, or recourse to, the issuer or obligor of the underlying assets, nor will they be able to control its actions;
    - (ii) in the case of Dynamic and Static Portfolio Notes comprising a leverage portfolio, added exposure to the underlying assets gained by the notional borrowing under the leverage portfolio will magnify the effects of the underlying assets' performance on the return of the Notes;
    - (iii) in the case of Dynamic and Static Portfolio Notes comprising a deposit portfolio, should the underlying assets' performance improve following an increased notional allocation to the deposit portfolio, it will not be possible for investors to benefit from a corresponding advantage unless and until there is a subsequent allocation adjustment between the reference portfolio and the deposit portfolio, which may only happen at prescribed intervals;
    - (iv) in the case of Dynamic Portfolio Notes, allocation adjustment provisions mean that the return on any investment in the Notes is extremely dependent on the timing of allocations between portfolios. Potential investors should also understand that if 100 per cent. of the assets of the master portfolio are allocated to the deposit portfolio, the master portfolio will no longer benefit from any upside in the value of the underlying assets; and
    - (v) an investment in Notes linked to the underlying assets brings with it market risk associated with an actual investment in the underlying assets themselves. Potential investors should consult the risk factors relating to the relevant underlying assets included elsewhere in the "Risk Factors" section of this Chapter 1.
  - The Issuer may issue Exchangeable Notes. Exchangeable Notes involve complex risks which include equity market risks and may include interest rate, foreign exchange and/or political risks. Fluctuations in the prices of shares underlying Exchangeable Notes will affect the value of the Exchangeable Notes, as well as a number of other factors, including the volatility of such shares, the dividend rate of the shares, the financial results and prospects of the relevant share issuer, market interest yield and the time remaining to any redemption date.
  - The Issuer may issue Credit Linked Notes, which are securities linked to the performance of a reference entity or reference entities and obligations of the reference entity/ies. Investors should note that Credit Linked Notes differ from ordinary debt securities issued by the Issuer in that the amount of principal and interest payable by the Issuer is dependent on whether a "Credit Event" (as defined in Chapter 5, Part 1) in respect of the reference entity/ies has occurred. In certain circumstances the Notes will cease to bear interest (if they carried interest in the first place) and the value paid to Noteholders on redemption may be less than their original investment and may in certain circumstances be zero.

- The Issuer may issue Italian Certificates. Investment in Italian Certificates involves a high degree of risk, which may include, among others, all risks relating to options such as the high volatility. Prospective investors should be prepared to sustain a partial or total loss of the investment price of their Italian Certificates. Prospective investors should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Italian Certificates and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Italian Certificates in light of their particular financial circumstances.

***For more details on the risk factors relating to the Notes, see Part 3 of the section headed “Risk Factors” in Chapter 1.***

**Risk Factors  
relating to  
Warrants**

*Terms used but not defined previously in this Base Prospectus or below are as defined in the Terms and Conditions of the Warrants, as set out in Chapter 12, Part 1.*

- Investment in Warrants involves a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Prospective investors should recognise that their Warrants, other than any Warrants having a minimum expiration value, may expire worthless. Investors should therefore, subject to any minimum expiration value attributable to such Warrants, be prepared to sustain a total loss of the purchase price of their Warrants. Prospective purchasers of Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Warrants in light of their particular financial circumstances.
- Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Warrants. Fluctuations in the price of the relevant share or value of the basket of shares will affect the value of Share Warrants. Fluctuations in the price or yield of the relevant debt instrument (including the relevant government bond) or value of the basket of debt instruments (including the basket of government bonds) will affect the value of Debt Warrants. Fluctuations in the value of the relevant commodity or basket of commodities will affect the value of Commodity Warrants. Purchasers of Warrants risk losing their entire investment if the value of the relevant underlying basis of reference does not move in the direction which they anticipate.
- There are certain factors which affect the value and trading price of Warrants. The Cash Settlement Amount (in the case of Cash Settled Warrants) or the difference between the value of the Entitlement and the Exercise Price (the “Physical Settlement Value”) (in the case of Physical Delivery Warrants) at any time prior to expiration of the Warrants is typically expected to be less than the trading price of such Warrants at that time. The interim value of Warrants varies with, among other things, the price level of the reference security, index, currency, commodity or other basis of reference (as specified in the applicable Final Terms).
- If so indicated in the Final Terms, the Issuer will have the option to limit the number of Warrants exercisable on any date. A Warrantholder may not be able to exercise on such date all Warrants that such holder desires to exercise.
- The Final Terms may indicate that a Warrantholder must tender a specified minimum number of Warrants at any one time in order to exercise. Thus, Warrantholders with fewer than the specified minimum number of Warrants will either have to sell their Warrants or purchase additional Warrants, incurring

transaction costs in each case, in order to realise their investment.

- There may be a time lag between the time a Warrantholder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the Warrants being exercised and may result in such Cash Settlement Amount being zero.

*For more details on the risk factors relating to the Warrants, see Part 4 of the section headed “Risk Factors” in Chapter 1.*

**Programme  
Size and  
Description**

EUR10,000,000,000 Issuance Programme

Under this Issuance Programme, the Issuer may from time to time issue Medium Term Notes, Share Linked Notes, Index Linked Notes, Credit Linked Notes, Italian Certificates, Fund Linked Notes, Dynamic and Static Portfolio Notes, Inflation Linked Notes, Exchangeable Notes, Commodity Linked Notes, Commodity Index Linked Notes and Warrants, including certain combinations thereof. The Notes and Warrants are guaranteed by the Guarantor. The Notes and the Warrants may or may not be listed on a stock exchange. There is no limit on the number of Warrants which may be issued under the Programme. The Issuer may also enter into Obligations under the Programme, pursuant to separate documentation, that are guaranteed by the Guarantor.

The applicable terms of any Notes or Warrants will be determined by the Issuer and, with respect to issues of Notes and Warrants for which a Dealer is appointed, the Dealer prior to the issue of the Notes or Warrants. Such terms will be set out in the Terms and Conditions of the Notes or Warrants incorporated by reference into the Notes or Warrants, as modified and supplemented by the Final Terms to, applicable to such Notes or Warrants, as more fully described in Part 1 of each of Chapters 2 to 12 (inclusive) of this Base Prospectus.

*For an overview of the Notes and Warrants which may be issued under the Programme, see Parts 2 and 3, respectively, of the section headed “Overview” in Chapter 1.*

**Issue  
Currencies**

Notes may be denominated in any currency determined by the Issuer, the Guarantor and the relevant Dealer (if any) as indicated in the applicable Final Terms and subject to compliance with any applicable laws and exchange control regulations.

**Maturities**

The maturity of each Tranche of Notes will be specified in the applicable Final Terms subject to such minimum or maximum maturities as may be allowed or required from time to time by any regulatory authority, laws or regulations applicable to the Issuer, the Guarantor or the relevant Specified Currency. The Issuer may not issue undated Notes under the Programme.

**Redemption**

The applicable Final Terms relating to each Tranche of Notes will provide information relating to Redemption according to the template proper to each specific Chapter.

**Form of the  
Notes and  
Warrants**

The Notes will be issued in bearer form only and will on issue be represented by a Permanent Global Note/Warrant which is not exchangeable for Definitive Notes.

Where Monte Titoli S.p.A. is the relevant clearing system for the Italian Certificates, the circulation of the Italian Certificates will be dematerialised and centralised with Monte Titoli S.p.A., pursuant to the Italian legislative decree no. 213/1998 as

amended and all subsequent implementing provisions.

<b>Arranger</b>	ING Belgium SA/NV, trading as ING Commercial Banking
<b>Dealer in respect of Notes and Warrants</b>	As of the date herof, the Issuer and ING Belgium SA/NV as a dealer signed the Programme Agreement (as defined in the “Subscription and Sale” section of Chapter 1 of this Base Prospectus), appointing ING Belgium SA/NV as a Dealer in respect of the Notes and Warrants issued under the Programme.
<b>Ratings</b>	<p>No Rating has been allowed to the Issuer.</p> <p>The Guarantor has a senior debt rating from Standard &amp; Poor’s Credit Market Services Europe Limited (“Standard &amp; Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable). A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. Over the course of the past years, the Guarantor has from time to time been subject to its ratings being lowered.</p>
<b>Selling and Transfer Restrictions</b>	There are selling and transfer restrictions in relation to issues of Notes and Warrants as described in “Chapter 1 – Subscription and Sale” of the Base Prospectus. Further restrictions may be specified in the applicable Final Terms.
<b>Listing and public offers</b>	<p>Application has been made for the Notes and Warrants (i) to be listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and/or on a regulated market of Borsa Italiana S.p.A. (the “Italian Stock Exchange”) and (ii) to be offered to the public in Belgium, Italy and Luxembourg. The Notes and Warrants may also be offered to the public in Switzerland. The Notes and Warrants may also be listed or admitted to trading on such other or further stock exchange or stock exchanges as may be determined by the Issuer and which are specified in the Applicable Final Terms.</p> <p>Unlisted Notes and Warrants, and Notes and Warrants which are not offered to the public in any jurisdiction, may also be issued.</p> <p>The Final Terms relating to each issue of Notes or Warrants will state whether or not the Notes or Warrants are to be listed or admitted to trading, as the case may be and, if so, on which exchange(s) and/or market(s).</p>
<b>Taxation</b>	This Base Prospectus includes general summaries as at the date of this Base Prospectus of the Belgian, Italian and Luxembourg tax considerations relating to an investment in the Notes and Warrants. Such summaries may not apply to a particular holder of Notes and/or Warrants or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity, exercise or termination date of Notes or Warrants. Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes and/or Warrants in its particular circumstances.
<b>Governing Law</b>	The Notes and Warrants will be governed by, and construed in accordance with the laws of the Grand Duchy of Luxembourg.

## **RISK FACTORS**

### **PART 1 – GENERAL**

#### **Introduction**

This Base Prospectus identifies in a general way the information that a prospective investor should consider prior to making an investment in the Notes or Warrants. However, a prospective investor should conduct its own thorough analysis (including its own accounting, legal and tax analysis) prior to deciding whether to invest in the Notes or Warrants as any evaluation of the suitability for an investor of an investment in the Notes or Warrants depends upon a prospective investor's particular financial and other circumstances, as well as on the specific terms of the Notes or Warrants. This Base Prospectus is not, and does not purport to be, investment advice or an investment recommendation to purchase Notes or Warrants. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as a purchaser's financial adviser or fiduciary in any transaction unless it has agreed to do so in writing. If a prospective investor does not have experience in financial, business and investment matters sufficient to permit it to make such a determination, the investor should consult with its independent financial adviser prior to deciding to make an investment in the Notes or Warrants. Investors risk losing their entire investment or part of it.

Each prospective investor in Notes or Warrants must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Notes or Warrants (i) is fully consistent with its (or if it is acquiring the Notes or Warrants in a fiduciary capacity, the beneficiary's) financial needs, objectives and condition, (ii) complies and is fully consistent with any investment policies, guidelines and restrictions applicable to it (whether acquiring the Notes or Warrants as principal or in a fiduciary capacity) and (iii) is a fit, proper and suitable investment for it (or, if it is acquiring the Notes or Warrants in a fiduciary capacity, for the beneficiary). In particular, investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each prospective investor should therefore consult its legal advisers to determine whether and to what extent (i) the Notes and Warrants are legal investments for it, (ii) the Notes and Warrants can be used as underlying securities for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of any Notes or Warrants.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes and Warrants under any applicable risk-based capital or similar rules.

#### **The Notes and Warrants may not be a suitable investment for all investors**

Each potential investor in the Notes and/or Warrants must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes and/or Warrants, the merits and risks of investing in the Notes and/or Warrants and the information contained or incorporated by reference in this Base Prospectus, any applicable supplement or Final Terms;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and/or Warrants and the impact the Notes and/or Warrants will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes and/or Warrants, including Notes and/or Warrants with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and/or Warrants and be familiar with the behaviour of



any relevant indices, securities, assets and/or financial markets; and

- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Notes and/or Warrants are generally complex financial instruments. A potential investor should not invest in Notes and/or Warrants which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes and/or Warrants will perform under changing conditions, the resulting effects on the value of the Notes and/or Warrants and the impact this investment will have on the potential investor's overall investment portfolio.

#### **Possible delay in delivery of underlying securities**

An issue of Notes or Warrants may include provision for the delivery of underlying securities to holders of those Notes or Warrants. If such delivery is to take place, it may be delayed by factors outside the Issuer's control, for example disruption on relevant clearing systems. The Issuer will not be responsible for any such delay and shall not be obliged to compensate holders of Notes or Warrants therefor. Holders of the Notes or Warrants will be solely responsible for determining whether they are permitted to hold any underlying securities, including under applicable securities laws.

#### **Limited liquidity of the Notes and Warrants**

Even if application is made to list Notes or Warrants on a stock exchange, there can be no assurance that a secondary market for any of the Notes or Warrants will develop, or, if a secondary market does develop, that it will provide the holders of the Notes or Warrants with liquidity or that it will continue for the life of the Notes or Warrants. Also, to the extent Warrants of a particular issue are exercised, the number of Warrants of such issue outstanding will decrease, resulting in a diminished liquidity for the remaining Warrants of such issue. A decrease in the liquidity of an issue of Notes or Warrants may cause, in turn, an increase in the volatility associated with the price of such issue of Notes or Warrants. Any investor in the Notes or Warrants must be prepared to hold such Notes or Warrants for an indefinite period of time or until redemption of the Notes. If any person begins making a market for the Notes or Warrants, it is under no obligation to continue to do so and may stop making a market at any time. Illiquidity may have a severely adverse effect on the market value of Notes and Warrants.

#### **Counterparty risk exposure**

The ability of the Guarantor to make payments under the Notes and Warrants is subject to general credit risks, including credit risks of borrowers. Third parties that owe the Guarantor money, securities or other assets may not pay or perform under their obligations. These parties include borrowers under loans granted, trading counterparties, counterparties under swaps and credit and other derivative contracts, agents and other financial intermediaries. These parties may default on their obligations to the Guarantor due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure or other reasons.

#### **Credit ratings**

The Issuer has not been assigned any rating. The Guarantor has a senior debt rating from Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's") of A+ (outlook stable), a senior debt rating from Moody's France SAS ("Moody's") of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. ("Fitch") of A+ (outlook stable).

Notes and Warrants issued under the Programme may be rated or unrated and one or more independent credit rating agencies may assign (additional) credit ratings to the Notes or Warrants or the Issuer or the Guarantor. Where a Tranche of Notes or Warrants is rated, such rating will not necessarily be the same as the ratings assigned to the Programme.

The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes and Warrants and the ability of the Issuer or the Guarantor to make payments under the Notes and Warrants (including but not limited to market conditions and funding related and operational risks inherent to the business of the Issuer and the Guarantor). A credit rating is not a recommendation to buy, sell or hold securities. There is no assurance that a rating will remain for any given period of time or that a rating will not be suspended, lowered or withdrawn by the relevant rating agency if, in its judgement, circumstances in the future so warrant. Over the course of the past years, the Guarantor has from time to time been subject to its ratings being lowered.

In the event that a rating assigned to the Notes or Warrants or the Guarantor is subsequently suspended, lowered or withdrawn for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes or Warrants, the Guarantor may be adversely affected, the market value of the Notes or Warrants is likely to be adversely affected and the ability of the Issuer or the Guarantor to make payments under the Notes or Warrants may be adversely affected.

In addition, the Guarantor's bank assets are risk weighted. Downgrades of these assets could result in a higher risk weighting which may result in higher capital requirements and thus a need to deleverage. This may impact net earnings and the return on capital, and may have an adverse impact on the Guarantor's financial position and ability to make payments under the Notes and Warrants.

#### **Certain considerations regarding hedging**

Prospective purchasers intending to purchase Notes or Warrants to hedge against the market risk associated with investing in a security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis of reference which may be specified in the applicable Final Terms, should recognise the complexities of utilising Notes and Warrants in this manner. For example, the value of the Notes and Warrants may not exactly correlate with the value of the security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis which may be specified in the applicable Final Terms. Due to fluctuating supply and demand for the Notes and Warrants, there is no assurance that their value will correlate with movements of the security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other asset or basis which may be specified in the applicable Final Terms.

#### **Actions taken by the Calculation Agent may affect the value of Notes and Warrants**

The Calculation Agent for an issue of Notes and Warrants is the agent of the Issuer and not the agent of the holders of the Notes or Warrants. The Calculation Agent is not acting as a fiduciary to any Noteholder. The Guarantor will itself be the Calculation Agent for most issues of Notes and Warrants. The Calculation Agent will make such determinations and adjustments as it deems appropriate, in accordance with the terms and conditions of the specific issue of Notes or Warrants. In making its determinations and adjustments, the Calculation Agent will be entitled to exercise substantial discretion and may be subject to conflicts of interest in exercising this discretion.

#### **The return on an investment in Notes or Warrants will be affected by charges incurred by investors**

An investor's total return on an investment in Notes or Warrants will be affected by the level of fees charged to the investor, including fees charged to the investor as a result of the Notes or Warrants being held in a clearing system. Such fees may include charges for opening accounts, transfers of securities, custody services and fees for payment of principal, interest or other sums due under the terms of the Notes or Warrants. Investors should carefully investigate these fees before making their investment decision.

#### **Potential conflicts of interest; information and past performance**

The Issuer or the Guarantor has no fiduciary duties to Noteholders and may take such action or

make such determinations under the Notes or Warrants as it determines appropriate. The Issuer or the Guarantor is not under any obligation to hedge its obligations under the Notes or Warrants or to hedge itself in any particular manner. If the Issuer or the Guarantor does decide to hedge its obligations under the Notes or Warrants, it is not required to hedge itself in a manner that would (or may be expected to) result in the lowest unwind costs, losses and expenses. For the avoidance of doubt, the Issuer or the Guarantor is not obliged at any time to hold any asset to which the Notes or Warrants may be linked. With respect to any hedging arrangement entered into by the Issuer or the Guarantor (or by any affiliate of the Guarantor on its behalf) the Issuer or the Guarantor will act as principal for its own account and the Issuer's or Guarantor's obligations in respect of the Notes and Warrants exist regardless of the existence or amount of the Issuer's and/or Guarantor's and/or any of its affiliates' exposure to or receipt of any return on any asset to which the Notes and Warrants may be linked. The Guarantor and its affiliates may engage in trading activities (including hedging activities) related to interests underlying any Notes or Warrants and other instruments or derivative products based on or related to interests underlying any Notes or Warrants for their proprietary accounts or for other accounts under their management. The Guarantor and its affiliates may also issue other derivative instruments in respect of interests underlying any Notes or Warrants. The Guarantor and its affiliates may also act as underwriter in connection with future offerings of shares or other securities related to an issue of Notes or Warrants or may act as financial adviser to companies whose securities impact the return on Notes or Warrants. Such activities could present certain conflicts of interest, could influence the prices of such shares or other securities and could adversely affect the value of such Notes or Warrants.

The Issuer and the Guarantor may have acquired, or during the term of Notes or Warrants may acquire, non-public information with respect to securities or other assets or indices underlying Notes or Warrants which will not be provided to holders of such Notes or Warrants. The Issuer and the Guarantor make no representation or warranty about, and give no guarantee of, the performance of securities or other assets or indices underlying Notes or Warrants. Past performance of such securities or other assets or indices cannot be considered to be a guarantee of, or guide to, future performance.

### **Tax risk**

This Base Prospectus includes general summaries of the Belgian, Luxembourg and Italian tax considerations relating to an investment in the Notes and Warrants. Such summaries may not apply to a particular holder of Notes and/or Warrants or to a particular issue and do not cover all possible tax considerations. In addition, the tax treatment may change before the maturity, exercise or termination date of Notes or Warrants. Any potential investor should consult its own independent tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes and/or Warrants in its particular circumstances.

### **Risk factor relating to FATCA**

In certain circumstances the Issuer, the Guarantor and certain other entities through which payments on the Notes and the Warrants are made may be required to withhold U.S. tax at a rate of 30% on all, or a portion of, (A) payments made after 31 December 2016 in respect of (i) Notes that are treated as debt for U.S. federal tax purposes and are issued after 31 December 2012 and (ii) any such Notes that are treated as equity for U.S. federal tax purposes or Warrants that are issued at any time (including before 1 January 2013) or (B) payments made after 31 December 2013 in respect of (i) Notes that are treated as debt for U.S. federal tax purposes and are issued after 31 December 2012 and (ii) any such Notes that are treated as equity for U.S. federal tax purposes and issued at any time (including before 1 January 2013), pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code and the regulations and other guidance promulgated thereunder ("FATCA").

Under FATCA, non-U.S. financial institutions generally will be required to enter into agreements with the U.S. Internal Revenue Service (the "IRS") to identify "financial accounts" held by U.S. persons or entities with substantial U.S. ownership, as well as accounts of other financial institutions that are not

themselves participating in (or otherwise exempt from) the FATCA reporting regime. For these purposes, the term financial institution includes, among others, banks, insurance companies and funds that are engaged primarily in the business of investing, reinvesting or trading in securities, commodities or partnership interests. If a participating financial institution makes a relevant payment to an accountholder that has not provided information requested to establish the accountholder is exempt from reporting under the rules, or if the recipient of the payment is a non-participating financial institution (that is not otherwise exempt), the payor may be required to withhold 30% on a portion of the payment. The IRS has indicated an intention to treat, for example, interest and principal paid by a participating financial institution as being subject to this 30% withholding, but only in proportion to the value of the financial institution's direct and indirect U.S. assets as compared to its total assets. However, the IRS is further considering the treatment of these so-called "passthru payments" and it is not clear how this rule will ultimately apply to the Issuer, the Guarantor or the Notes and the Warrants issued and/or guaranteed by them.

Based on proposed regulations, FATCA generally will not apply to Notes that are (i) not classified as equity securities for U.S. federal income tax purposes and (ii) issued before 1 January 2013 and not materially modified after that date. The withholding obligation in respect of a non-participating financial institution may apply whether the financial institution is receiving payments for its own account or on behalf of another person. If the Issuer, the Guarantor or one of their respective agents were required to withhold any amount from any payment on the Notes or the Warrants in respect of FATCA, there will be no "gross up" (or any other additional amount) payable by way of compensation to the investor for the withheld amount. An investor that is able to claim the benefits of an income tax treaty between its own jurisdiction and the United States may be entitled to a refund of amounts withheld pursuant to the FATCA rules, though the investor would have to file a U.S. tax return to claim this refund and would not be entitled to interest from the IRS for the period prior to the refund.

FATCA is particularly complex and its application to the Issuer, the Guarantor or the Notes and the Warrants issued and/or guaranteed by the Guarantor is uncertain at this time. Each holder of Notes and the Warrants should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such holder in its specific circumstance, in particular if it may be, or hold its interest through an entity that is, classified as a financial institution under FATCA.

### **Risk factor relating Dividend Equivalent Payments**

Due to U.S. legislation enacted in 2010, payments on any Notes and Warrants that are, in whole or in part, directly or indirectly contingent upon, or determined by reference to, the payment of a dividend from a U.S. entity (a "Dividend Equivalent Payment") may become subject to a 30% U.S. withholding tax when made to Non-U.S. Holders (as defined in "Taxation – United States Taxation"). The imposition of this U.S. withholding tax will reduce the amounts received by Non-U.S. Holders. None of the Issuer, the Guarantor or any other person shall pay any additional amounts to the Non-U.S. Holders in respect of such U.S. withholding. If a Non-U.S. Holder becomes subject to this withholding tax, it is unclear whether the Non-U.S. Holder will be able to claim any exemptions under its applicable double tax treaty. The application and interpretation of the rules governing U.S. withholding tax on Dividend Equivalent Payments is subject to change.

### **Insolvency risk**

Investors are exposed to the Issuer's and/or the Guarantor's risk of insolvency (bankruptcy or payment default), which may result in the partial or total loss of the invested capital and the non recovery of all unpaid coupons.

In the event that the Issuer and/or the Guarantor become insolvent, insolvency proceedings will be generally governed by the Luxembourg or Belgian insolvency laws. Such insolvency laws may be different from the insolvency laws of an investor's home jurisdiction and the treatment and ranking of holders of Notes and the Issuer's or Guarantor's other creditors and shareholders under the Luxembourg or Belgian

insolvency laws may be different from the treatment and ranking of holders of those Notes and the Issuer's or Guarantor's other creditors and shareholders if the Issuer or the Guarantor was subject to the insolvency laws of the investor's home jurisdiction.

### **Changes in law**

The structure of the issue of the Notes and Warrants and the ratings which may be assigned to them are based on the law of the jurisdiction governing such Notes and/or Warrants in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to the law in such jurisdiction or administrative practice in such jurisdiction after the date of this Base Prospectus.

## **PART 2 – RISK FACTORS RELATING TO THE ISSUER AND THE GUARANTOR**

### **Risks related to the Issuer**

The Issuer is not an operating company. The Issuer's sole business is the raising and borrowing of money by issuing securities or other obligations. The Issuer has, and will have, no assets other than fees payable to it, or other assets acquired by it, in each case in connection with the issue of the Notes and Warrants or entry into other obligations relating to the Programme from time to time. The net proceeds from each issue of Notes and Warrants will become part of the general funds of the Issuer. The Issuer may use such proceeds to maintain positions in certain hedging agreements. The ability of the Issuer to meet its obligations under Notes and Warrants issued by it will depend on the receipt by it of payments under the relevant hedging agreements entered into with the Guarantor. Consequently, the Issuer is exposed to the ability of the Guarantor as its counterparty in respect of such hedging agreements to perform its obligations under such hedging agreements.

### **Risks related to the Guarantor and its operations**

See section 7.7.5 entitled Risk management on pages 46 to 64 of Annual Report 2011 which is incorporated by reference in this Base Prospectus that addresses the various risks encountered by the Guarantor and its management. Though the Guarantor has put in place risk management policies, procedures and methods it could still be exposed to unidentified or unanticipated risks, which could lead to material losses. Adverse market or economic conditions may harm its overall profitability. Investors should note that they are exposed to the Guarantor's risk of insolvency (bankruptcy or payment default), which may result in the partial or total loss of the invested capital and the non recovery of all unpaid coupons. In addition to the risks identified in such section, potential investors in Notes should also consider the following:

**Because the Guarantor is part of a financial services company conducting business on a global basis, its revenues and earnings are affected by the volatility and strength of the economic, business and capital markets environments specific to the geographic regions in which it conducts business. The ongoing turbulence and volatility of such factors have adversely affected, and may continue to adversely affect, the profitability and solvency of the Guarantor.**

Factors such as interest rates, securities prices, credit spreads, liquidity spreads, exchange rates, consumer spending, changes in client behaviour, business investment, real estate and private equity valuations, government spending, inflation, the volatility and strength of the capital markets, political events and trends, and terrorism all impact the business and economic environment and, ultimately, its insolvency and the amount and profitability of business the Guarantor conducts in a specific geographic region. In an economic downturn characterised by higher unemployment, lower family income, lower corporate earnings, higher corporate and private debt defaults, lower business investments and lower consumer spending, the demand for banking products is usually adversely affected and the Guarantor's reserves and provisions typically would increase, resulting in overall lower earnings. Securities prices, real estate values and private equity valuations may also be adversely impacted, and any such losses would be

realised through profit and loss and shareholders' equity. In particular, a downturn in the equity markets causes a reduction in commission income the Guarantor earns from managing portfolios for third parties, income generated from its own proprietary portfolios and its capital base. The Guarantor also offers a number of financial products that expose it to risks associated with fluctuations in interest rates, securities prices, corporate and private default rates, the value of real estate assets, exchange rates and credit spreads. See also "Interest rate volatility and other interest rate changes may adversely affect the Guarantor's profitability", "Turbulence and volatility in the financial markets have adversely affected the Guarantor, and may continue to do so" and "Market conditions observed over the last year may increase the risk of loans being impaired. The Guarantor is exposed to declining property values on the collateral supporting residential and commercial real estate lending".

In case one or more of the factors mentioned above adversely affects the profitability of the Guarantor's business, this might also result, among other things, in the following:

- the unlocking of deferred acquisition costs impacting earnings; and/or
- reserve inadequacies which could ultimately be realised through profit and loss and shareholders' equity; and/or
- the write down of tax assets impacting net results; and/or
- impairment expenses related to goodwill and other intangible assets, impacting net results; and/or
- movements in Risk Weighted Assets for the determination of required capital.

Shareholders' equity and the Guarantor's net result may be significantly impacted by turmoil and volatility in the worldwide financial markets. Negative developments in financial markets and/or economies may have a material adverse impact on shareholders' equity and net result in future periods, including as a result of the potential consequences listed above.

***Adverse capital and credit market conditions may impact the Guarantor's ability to access liquidity and capital, as well as the cost of credit and capital.***

The capital and credit markets have been experiencing extreme volatility and disruption since the second half of 2008. In some cases, market developments have resulted in restrictions on the availability of liquidity and credit capacity for certain issuers.

The Guarantor needs liquidity in its day-to-day business activities to pay its operating expenses, interest on its debt and dividends on its capital stock; maintain its securities lending activities; and replace certain maturing liabilities. The principal sources of the funding of the Guarantor are deposit funds and cash flow from investment portfolio and assets, consisting mainly of cash or assets that are readily convertible into cash. Sources of liquidity in normal markets may also include a variety of short- and long-term instruments.

In the event current resources do not satisfy the Guarantor's needs, it may need to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, the general availability of credit, the volume of trading activities, the overall availability of credit to the financial services industry, its credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of its long- or short-term financial prospects. Similarly, the Guarantor's access to funds may be limited if regulatory authorities or rating agencies take negative actions against it. If the Guarantor's internal sources of liquidity prove to be insufficient, there is a risk that external funding sources might not be available, or available at unfavourable terms.

Disruptions, uncertainty or volatility in the capital and credit markets such as that experienced over the past few years, including in relation to the ongoing European sovereign debt crisis, may also limit the Guarantor's access to capital required to operate its business. Such market conditions may in the future limit the Guarantor's ability to attract additional funding to support business growth, or to counter-balance the consequences of losses or increased regulatory capital requirements. This would have the potential to decrease both the Guarantor's profitability and its financial flexibility. The Guarantor's results of

operations, financial condition, cash flows and regulatory capital position could be materially adversely affected by disruptions in the financial markets.

In the course of 2008 and 2009, governments around the world, including the Dutch government as far as ING Bank, the Guarantor's holding company, is concerned, implemented unprecedented measures providing assistance to financial institutions, in certain cases requiring (indirect) influence on or changes to governance and remuneration practices. In certain cases, governments nationalised companies or parts thereof. The measures adopted in The Netherlands consist of both liquidity provision and capital reinforcement, and a Dutch Capital Guarantee Scheme. The liquidity and capital reinforcement measures expired on 10 October 2009 and the Credit Guarantee Scheme of the Netherlands expired on 31 December 2010. ING's participation in these measures has resulted in certain material restrictions on it, including those required by the European Commission ("EC") as part of the restructuring plan ("**Restructuring Plan**"). The Restructuring Plan as well as any potential future transactions with the Dutch government or other government, if any, or actions by such government regarding ING Bank or ING generally could adversely impact the position or rights of the Guarantor's shareholder, bondholders, customers or creditors and the Guarantor's results, operations, solvency, liquidity and governance.

ING Bank and the Guarantor are subject to the jurisdiction of their respective banking regulatory bodies, which may have proposed regulatory changes that, if implemented, would hinder their ability to manage their respective liquidity in an efficient manner.

***The default of a major market participant could disrupt the markets***

Within the financial services industry the severe distress or default of any one institution (including sovereigns) could lead to defaults or severe distress by other institutions. Such distress or defaults could disrupt securities markets or clearance and settlement systems in the Guarantor's markets. This could cause market declines or volatility. Such a failure could lead to a chain of defaults that could adversely affect the Guarantor and its contract counterparties. Concerns about the creditworthiness of a sovereign or financial institution (or a default by any such entity) could lead to significant liquidity and/or solvency problems, losses or defaults by other institutions, as was the case after the bankruptcy of Lehman Brothers, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about a sovereign or a counterparty may lead to market-wide liquidity problems and losses or defaults by the Guarantor or ING Bank or by other institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges with whom the Guarantor interacts on a daily basis and financial instruments of sovereigns in which the Guarantor invests. Systemic risk could have a material adverse effect on the Guarantor's ability to raise new funding and on its business, financial condition and/or prospects. In addition, such a failure could impact future product sales as a potential result of reduced confidence in the financial services industry.

The Guarantor believes that despite increased attention recently, systemic risk to the markets in which it operates continues to exist, and dislocations caused by the interdependency of financial market participants continue to be a potential source of material adverse changes to the Guarantor's and ING Bank's business, results of operation and financial condition.

***Because the Guarantor's businesses are subject to losses from unforeseeable and/or catastrophic events, which are inherently unpredictable, the Guarantor may experience an abrupt interruption of activities, which could have an adverse effect on its financial condition.***

As discussed further below because unforeseeable events and/or catastrophic events can lead to an abrupt interruption of activities and the Guarantor's business operations may be subject to losses resulting from such disruptions. Losses can relate to property, financial assets, trading positions, insurance and pension benefits to employees and also to key personnel. If the Guarantor's business continuity plans are not able to be put into action or do not take such events into account, such events could adversely affect the

Guarantor's financial condition could be adversely affected.

***The Guarantor operates in a highly regulated industry. There could be an adverse change or increase in the financial services laws and/or regulations governing its business.***

The Guarantor is subject to detailed banking, asset management and other financial services laws and government regulation in each of the jurisdictions in which it conducts business. Regulatory agencies have broad administrative power over many aspects of the financial services business, which may include liquidity, capital adequacy and permitted investments, ethical issues, anti-money laundering, anti – terrorism measures, privacy, record keeping, product and sale suitability and marketing and selling practices and the Guarantor's own internal governance practices. Banking and other financial services laws, regulations and policies currently governing the Guarantor may also change at any time in ways which have an adverse effect on the Guarantor's business, and it is difficult to predict the timing or form of any future regulatory or enforcement initiatives in respect thereof. Also, bank regulators and other supervisory authorities in the EU, the United States and elsewhere continue to scrutinize the financial services industry and its activities under regulations governing such matters as money laundering, prohibited transactions with countries subject to sanctions, and bribery or other anti-corruption measures. Regulation is becoming increasingly more extensive and complex and regulators are focusing increased scrutiny on the industries in which the Guarantor operates, often requiring additional resources of the Guarantor. These regulations can serve to limit the Guarantor's activities, including through, as the case may be, its net capital, customer protection and market conduct requirements, and restrictions on businesses in which the Guarantor can operate or invest. If the Guarantor fails to address, or appears to fail to address, appropriately any of these matters, the Guarantor's reputation could be harmed and it could be subject to additional legal risk, which could, in turn, increase the size and number of claims and damages asserted against the Guarantor or subject the Guarantor to enforcement actions, fines and penalties.

In light of current conditions in the global financial markets and the global economy, regulators have increased their focus on the regulation of the financial services industry. Most of the principal markets where the Guarantor conducts its businesses have adopted, or are currently considering, major legislative and/or regulatory initiatives in response to the financial crisis. Governmental and regulatory authorities in the Benelux and elsewhere are implementing measures to increase regulatory control in their respective financial markets and financial services sectors, including in the areas of prudential rules, capital requirements, executive compensation, crisis and contingency management, bank levies and financial reporting, among other areas. Additionally, governmental and regulatory authorities in a multitude of jurisdictions continue to consider new mechanisms to limit the occurrence and/or severity of future economic crises (including proposals to restrict the size of financial institutions operating in their jurisdictions and/or the scope of operations of such institutions).

Despite the Guarantor's efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, there are a number of risks in areas where applicable regulations may be unclear, subject to multiple interpretation or under development or may conflict with one another, where regulators revise their previous guidance or courts overturn previous rulings, or the Guarantor fails to meet applicable standards. Regulators and other authorities have the power to bring administrative or judicial proceedings against the Guarantor, which could result, among other things, in suspension or revocation of its licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially harm the Guarantor's results of operations and financial condition.

### *Basel III*

In addition, the Basel Committee on Banking Supervision has announced higher global minimum capital standards for banks, and has introduced a new global liquidity standard and a new leverage ratio. The Committee's package of reforms, collectively referred to as the "Basel III" rules, will, among other requirements, increase the amount of common equity required to be held by subject banking institutions,



prescribe the amount of liquid assets and the long-term funding a subject banking institution must hold at any given moment, and limit leverage. Banks will be required to hold a “capital conservation buffer” to withstand future periods of stress such that the total Tier 1 common equity ratio, when fully phased in on 1 January 2019, will rise to 7%. Basel III also introduces a “countercyclical buffer” as an extension of the capital conservation buffer, which permits national regulators to require banks to hold more capital during periods of high credit growth (to strengthen capital reserves and moderate the debt markets). Further, Basel III calls for stricter definitions of capital that will have the effect of disqualifying many hybrid securities, potentially including those issued by the Guarantor, from inclusion in regulatory capital, as well as the higher capital requirements for trading, derivative and securitization activities to be introduced at the end of 2011 as part of a number of reforms to the Basel II framework. In addition, the Basel Committee and Financial Stability Board (“FSB”) are currently considering measures that may have the effect of requiring higher loss-absorbency capacity, liquidity surcharges, exposure limits and special resolution regimes for “systemically important financial institutions” (SIFIs) and so-called “Global” SIFIs (G-SIFI), in addition to the Basel III requirements otherwise applicable to most financial institutions. ING has been designated as a G-SIFI.

For European banks, these requirements will be implemented through the Capital Requirement Directive (CRD) IV, which might deviate in its final state from the original Basel III requirements. While the full impact of the new Basel III rules, and any additional requirements for SIFIs or G-SIFIs if and as applicable to the Guarantor, will depend on how they are implemented by its national regulators, including the extent to which its regulators and supervisors can set more stringent limits and additional capital requirements or surcharges, as well as on the economic and financial environment at the time of implementation and beyond, the Guarantor expects these rules can have a material impact on its operations and financial condition and may require the Guarantor to seek additional capital. Further, the International Accounting Standards Board (“IASB”) is considering changes to several IFRS standards, which changes could also have a material impact on the Guarantor’s reported results and financial condition.

#### *Foreign Account Tax Compliance Act*

Under US federal tax legislation passed in 2010, a 30% withholding tax will be imposed on “withholdable payments” made to non-US financial institutions (including non-US investment funds and certain other non-US financial entities) that fail (or that have 50% affiliates which are also non-US financial institutions that fail) to provide certain information to the US Internal Revenue Service (the “IRS”). For non-US financial institutions that fail to comply, this withholding will generally apply without regard to whether the beneficial owner of a withholdable payment is a US person or would otherwise be entitled to an exemption from US federal withholding tax. “Withholdable payments” generally include, among other items, payments of US-source interest and dividends and the gross proceeds from the sale or other disposition of property that may produce US-source interest and dividends. The IRS has issued guidance stating that this withholding tax is expected to take effect on a “phased” schedule, starting in January 2014.

In general, non-publicly traded debt and equity interests in investment vehicles will be treated as “accounts” and subject to these reporting requirements. In addition, the IRS has stated that certain insurance policies and annuities may be considered accounts for these purposes.

The Guarantor closely monitors all present and new legislation that is or will be applicable for its organisation, and is currently investigating all implications of this legislation. While investigating these implications, The Guarantor is and will be in close contact with all of its stakeholders, including its peers and financial industry representative organisations.

The Guarantor intends to take all necessary steps to comply with this legislation (including entering into agreements with the US tax authorities as may be required), in accordance with the timeframe set by the US tax authorities. However, if the Guarantor cannot enter into such agreements or satisfy the requirements thereunder (including as a result of local laws prohibiting information sharing with the IRS, as

a result of contracts or local laws prohibiting withholding on certain payments to accountholders, policyholders, annuitants or other investors, or as a result of the failure of accountholders, policyholders, annuitants or other investors to provide requested information), certain payments to the Guarantor may be subject to US withholding tax under this legislation. The possibility of such withholding tax and the need for accountholders, policyholders, annuitants and investors to provide certain information may adversely affect the sales of certain of the Guarantor's products. In addition, entering into agreements with the IRS and compliance with the terms of such agreements and with this legislation and any regulations or other guidance promulgated thereunder may substantially increase the compliance costs of the Guarantor. Because regulatory guidance implementing this legislation remains under development, the future impact of this law on the Guarantor is uncertain.

#### *Additional Governmental Measures*

Governments in Belgium, The Netherlands, Luxembourg and abroad have intervened on an unprecedented scale, responding to stresses experienced in the global financial markets. Some of the measures adopted subject the Guarantor and other institutions for which they were designed to additional restrictions, oversight or costs.

As a result of having received state aid, ING was required to submit its Restructuring Plan to the EC in connection with obtaining final approval for the transactions with the Dutch State. The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of ING and involve significant costs and uncertainties that could materially impact ING Bank.

ING Bank or the Guarantor cannot predict whether or when future legislative or regulatory actions may be taken, or what impact, if any, actions taken to date or in the future could have on its respective business and financial condition.

Despite the Guarantor's efforts to maintain effective compliance procedures and to comply with applicable laws and regulations, there are a number of risks in areas where applicable regulations may be unclear, subject to multiple interpretation or under development or may conflict with one another, where regulators revise their previous guidance or courts overturn previous rulings, or the Guarantor fails to meet applicable standards. Regulators and other authorities have the power to bring administrative or judicial proceedings against the Guarantor, which could result, amongst other things, in suspension or revocation of the Guarantor's licenses, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially harm the Guarantor's operations and financial condition.

On 28 September 2011, the European Commission published a proposal for a financial transaction tax that would be levied on transactions in financial instruments by financial institutions if at least one of the parties to the transaction is located in the European Union. If not adopted by the European Union as a whole, such a tax might nonetheless be adopted by one or more European Union member states (as has recently been proposed in The Netherlands and approved in France by the French Parliament on certain financial instruments). As proposed, this tax could require among others the Guarantor to pay a tax on transactions in financial instruments with parties located in the European Union. That proposal, if approved by the competent regulatory authorities, will likely result in increased taxes on the Guarantor's operations, which could negatively impact its operations, financial condition and liquidity.

***Turbulence and volatility in the financial markets have adversely affected the Guarantor, and may continue to do so.***

#### *General*

The Guarantor's results of operations are materially impacted by conditions in the global capital markets and the economy generally. Concerns over the slow economic recovery, the European sovereign debt crisis, unemployment, the availability and cost of credit, the level of U.S. national debt and the U.S.

mortgage market, inflation levels, energy costs and geopolitical issues all have contributed to increased volatility and diminished expectations for the economy and the markets in the recent years. While certain of such conditions have improved since 2009, these conditions have generally resulted in greater volatility, widening of credit spreads and overall shortage of liquidity and tightening of financial markets throughout the world. In addition, prices for many types of asset-backed securities (“ABS”) and other structured products have significantly deteriorated. These concerns have since expanded to include a broad range of fixed income securities (including those rated investment grade and especially the sovereign debt of some EEA countries and the United States) the international credit and interbank money markets generally, and a wide range of financial institutions and markets, asset classes, such as public and private equity, and real estate sectors. As a result of these and other factors, sovereign governments in regions where the Guarantor operates, have experienced budgetary and other financial or other difficulties, which could result in austerity measures and downgrades in credit rating by credit agencies. As a result, the market for fixed income instruments has experienced decreased liquidity, increased price volatility, credit downgrade events and increased probability of default. In addition, the confluence of these and other factors has resulted in volatile foreign exchange markets. Securities that are less liquid are more difficult to value and may be hard to dispose of. International equity markets have also been experiencing heightened volatility and turmoil, with issuers, including the Guarantor, that have exposure to the real estate, mortgage, private equity and credit markets particularly affected. These events and market upheavals, including extreme levels of volatility, have had and may continue to have an adverse effect on the Guarantor’s financial performance in part because ING Bank has a large investment portfolio and extensive real estate activities around the world. In addition, the confidence of customers in financial institutions is being tested.

Consumer confidence in financial institutions may, for example, decrease due to the Guarantor’s or its competitors’ failure to communicate to customers the terms of, and the benefits to customers of, complex or high-fee financial products. Reduced confidence could have an adverse effect on the Guarantor’s financial condition, including through an increase of lapses or surrenders of policies and a withdrawal of deposits. Because a significant percentage of the Guarantor’s customer deposit base is originated via Internet banking, a loss of customer confidence may result in a rapid withdrawal of deposits over the Internet.

#### *European Sovereign Debt Crisis*

In 2010, a financial crisis emerged in Europe, triggered by high budget deficits and rising direct and contingent sovereign debt in Greece, Ireland, Italy, Portugal and Spain, which created concerns about the ability of these EU “peripheral” states to continue to service their sovereign debt obligations. These concerns impacted financial markets and resulted in high and volatile bond yields on the sovereign debt of many EU nations. Despite the creation of a joint EU-IMF European Financial Stability Facility in May 2010, assistance packages to Greece, Ireland and Portugal, and announced plans in the summer of 2011 to expand financial assistance to Greece, uncertainty over the outcome of the EU governments’ financial support programmes and worries about sovereign finances persisted and, notwithstanding increased purchases of sovereign bonds by the European Central Bank and measures taken by other central banks to enhance global liquidity, ultimately spread from “peripheral” to “core” European Union member states in the fall of 2011. Market concerns over the direct and indirect exposure of European banks and insurers to the EU sovereign debt further resulted in a widening of credit spreads and increased costs of funding for some European financial institutions. In December 2011, European leaders agreed to implement steps (and continue to meet regularly to review, amend and supplement such steps) to encourage greater long-term fiscal responsibility on the part of the individual member states and bolster market confidence in the Euro and European sovereign debt; however, such proposed steps are subject to final agreement (and in some cases, ratification and/or other approvals) by the European Union member states that are party to such arrangements and thus the implementation of such steps in their currently contemplated form remains uncertain, and even if such steps are implemented, there is no guarantee that they will ultimately and finally resolve uncertainties regarding the ability of Eurozone states to continue to service their sovereign debt

obligations. Further, even if such long-term structural adjustments are ultimately implemented, the future of the Euro in its current form, and with its current membership, remains uncertain.

Risks and ongoing concerns about the debt crisis in Europe, as well as the possible default by, or exit from the Eurozone of, one or more European states and/or the replacement of the Euro by one or more successor currencies, could have a detrimental impact on the global economic recovery, sovereign and non-sovereign debt in these European countries and the financial condition of European and other financial institutions, including the Guarantor. In the event of any default or similar event with respect to a sovereign issuer, some financial institutions may suffer significant losses for which they would require additional capital, which may not be available. Market and economic disruptions stemming from the crisis in Europe have affected, and may continue to affect, consumer confidence levels and spending, bankruptcy rates, levels of incurrence of and default on consumer debt and home prices, among other factors. There can be no assurance that the market disruptions in Europe, including the increased cost of funding for certain government and financial institutions, will not spread, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilise the affected countries and markets in Europe or elsewhere. To the extent uncertainty regarding the economic recovery continues to negatively impact consumer confidence and consumer credit factors, the business and results of operations of the Guarantor could be significantly and adversely impacted. In addition, the possible exit from the Eurozone of one or more European states and/or the replacement of the Euro by one or more successor currencies could create significant uncertainties regarding the enforceability and valuation of Euro-denominated contracts to which the Guarantor (or its counterparties) are a party and thereby materially and adversely affect the Guarantor and/or its counterparties' liquidity, financial condition and operations. Such uncertainties may include the risk that (i) an obligation that was expected to be paid in Euros is redenominated into a new currency (which may not be easily converted into other currencies without significant cost), (ii) currencies in some European Union member states may devalue relative to others, (iii) former Eurozone member states may impose capital controls that would make it complicated or illegal to move capital out of such countries, and/or (iv) some courts (in particular, courts in countries that have left the Eurozone) may not recognise and/or enforce claims denominated in Euros (and/or in any replacement currency). The possible exit from the Eurozone of one or more European states and/or the replacement of the Euro by one or more successor currencies could also cause other significant market dislocations and lead to other adverse economic and operational impacts that are inherently difficult to predict or evaluate, and otherwise have potentially materially adverse impacts on the Guarantor and its counterparties, including its depositors, lenders, borrowers and other customers.

During the week of 5 December 2011, Standard & Poor's Ratings Group, Inc., citing ongoing political and economic uncertainties related to the European sovereign debt crisis, placed the credit ratings of the European Union, its member states included in the Eurozone (other than Cyprus and Greece) and several European banks on "credit watch negative", indicating that Standard & Poor's Ratings Group, Inc. might reduce the credit ratings of one or more such entities in the near term. In the meantime the rating from the Kingdom of Belgium has been downgraded. As a consequence the outlook on the Guarantor's long-term senior debt and deposit ratings has been downgraded as well.

On 13 January 2012, Standard & Poor's Ratings Group, Inc. proceeded to downgrade the credit ratings of France, Austria, Italy, Spain, Portugal and a handful of other EEA states (while reaffirming the credit ratings of Germany, The Netherlands, Ireland and other EEA states). Further related downgrades of European sovereign ratings and of corporate ratings have occurred since that date, including the downgrade of Greece's sovereign credit rating to "selective default" by Standard & Poor's Ratings Group, Inc. on 27 February 2012 as a result of a debt restructuring that is expected to impose significant losses on private creditors (including ING Bank). These announcements, as well as any further future downgrades (such as the downgrading from Spain on 26 April 2012 and several Spanish banks on 17 May 2012), could negatively affect borrowing costs of the affected entities, increase overall economic volatility and affect the

operation of the businesses of the Guarantor.

***Because the Guarantor operates in highly competitive markets, including in its home market, it may not be able to increase or maintain its market share, which may have an adverse effect on its results of operations.***

There is substantial competition in Belgium and the other countries in which the Guarantor does business for the types of commercial banking, investment banking, insurance and other products and services the Guarantor provides. Customer loyalty and retention can be influenced by a number of factors, including relative service levels, the prices and attributes of products and services, and actions taken by competitors. If the Guarantor is not able to match or compete with the products and services offered by its competitors, it could adversely impact its ability to maintain or further increase its market share, which would adversely affect the Guarantor's market share, which would adversely affect its results of operations. Competition could also increase due to new entrants in the markets that may have new operating models that are not burdened by potentially costly legacy operations. Increasing competition in such markets may significantly impact the Guarantor's financial performance if the Guarantor is unable to match the products and services offered by its competitors. Over time, certain sectors of the financial services industry have become more concentrated, as institutions involved in a broad range of financial services have been acquired by or merged into other firms or have declared bankruptcy. These developments could result in the Guarantor's competitors gaining greater access to capital and liquidity, expanding their ranges of products and services, or gaining geographic diversity.

The Guarantor may experience pricing pressures as a result of these factors in the event that some of its competitors seek to increase market share by reducing prices. In addition, under the Restructuring Plan ING was required to agree to certain restrictions imposed by the EC, including with respect to its price leadership in EU banking markets and its ability to make acquisitions of financial institutions and other businesses.

***Because the Guarantor does business with many counterparties, the inability of these counterparties to meet their financial obligations could have a material adverse effect on the Guarantor's results of operations.***

Third parties that owe the Guarantor's money, securities or other assets may not pay or perform under their obligations. These parties include issuers and guarantors (including sovereigns) of securities the Guarantor holds, borrowers under loans originated, customers, trading counterparties, counterparties under swaps, credit default and other derivative contracts, clearing agents, exchanges, clearing house and other financial intermediaries. Severe distress or defaults by one or more of these parties on their obligations to the Guarantor due to bankruptcy, lack of liquidity, downturns in the economy or real estate values, operational failure, etc., or even rumours about potential severe distress or defaults by one or more of these parties or regarding the financial services industry generally, could lead to losses for the Guarantor, and defaults by other institutions. In light of the significant constraints on liquidity and high cost of funds in the interbank lending market, particularly following the collapse of Lehman Brothers in September 2008, and given the high level of interdependence between financial institutions, the Guarantor is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of sovereigns and other financial services institutions. This is particularly relevant to the Guarantor's franchise as an important and large counterparty in equity, fixed income and foreign exchange markets, including related derivatives, which exposes it to concentration risk.

The Guarantor routinely executes a high volume of transactions with counterparties in the financial services industry, including brokers and dealers, commercial banks, investment banks, mutual and hedge funds, insurance companies and other institutional clients, resulting in large daily settlement amounts and significant credit exposure. As a result, the Guarantor faces concentration risk with respect to specific counterparties and customers. The Guarantor is exposed to increased counterparty risk as a result of recent financial institution failures and weakness and will continue to be exposed to the risk of loss if counterparty

financial institutions fail or are otherwise unable to meet their obligations. A default by, or even concerns about the creditworthiness of, one or more financial services institutions could therefore lead to further significant systemic liquidity problems, or losses or defaults by other financial institutions.

With respect to secured transactions, the Guarantor's credit risk may be exacerbated when the collateral held by it cannot be realized, or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure due to it. The Guarantor may also have exposure to a number of financial institutions in the form of unsecured debt instruments, derivative transactions and equity investments. There is no assurance that losses on, or impairments to the carrying value of, these assets would not materially and adversely affect the Guarantor's business or financial condition.

In addition, the Guarantor is subject to the risk that its rights against third parties may not be enforceable in all circumstances. The deterioration or perceived deterioration in the credit quality of third parties whose securities or obligations the Guarantor holds could result in losses and/or adversely affect the Guarantor's ability to rehypothecate or otherwise use those securities or obligations for liquidity purposes. A significant downgrade in the credit ratings of the Guarantor's counterparties could also have a negative impact on the Guarantor's income and risk weighting, leading to increased capital requirements.

While in many cases the Guarantor is permitted to require additional collateral from counterparties that experience financial difficulty, disputes may arise as to the amount of collateral the Guarantor is entitled to receive and the value of pledged assets. The Guarantor's credit risk may also be exacerbated when the collateral it holds cannot be realised or is liquidated at prices not sufficient to recover the full amount of the loan or derivative exposure that is due to the Guarantor, which is most likely to occur during periods of illiquidity and depressed asset valuations, such as those recently experienced. The termination of contracts and the foreclosure on collateral may subject the Guarantor to claims for the improper exercise of its rights under such contracts. Bankruptcies, downgrades and disputes with counterparties as to the valuation of collateral tend to increase in times of market stress and illiquidity.

Any of these developments or losses could materially and adversely affect the Guarantor's business, financial condition, results of operations, liquidity and/or prospects.

***Market conditions observed over the last year may increase the risk of loans being impaired. The Guarantor is exposed to declining property values on the collateral supporting residential and commercial real estate lending.***

The Guarantor is exposed to the risk that its borrowers (including sovereigns) may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. The Guarantor may continue to see adverse changes in the credit quality of its borrowers and counterparties, for example as a result of their inability to refinance their indebtedness, with increasing delinquencies, defaults and insolvencies across a range of sectors. This may lead to further impairment charges on loans and other assets, higher costs and additions to loan loss provisions. A significant increase in the size of the Guarantor's provision for loan losses could have a material adverse effect on its financial position and results of operations.

Economic and other factors could lead to further contraction in the residential mortgage and commercial lending market and to further decreases in residential and commercial property prices which could generate substantial increases in impairment losses.

***Interest rate volatility and other interest rate changes may adversely affect the Guarantor's profitability***

Changes in prevailing interest rates may negatively affect the Guarantor's business including the level of net interest revenue it earns and, for its banking business, its levels of deposits and the demand for loans. In a period of changing interest rates, interest expense may increase at different rates than the interest earned on assets. Accordingly, changes in interest rates could decrease net interest revenue. Changes in the

interest rates may negatively affect the value of the Guarantor's assets and its ability to realise gains or avoid losses from the sale of those assets, all of which also ultimately affect earnings.

Declining interest rates may result in:

- lower investment earnings because the interest earnings on the Guarantor's fixed income investments will likely have declined in parallel with market interest rates on its assets recorded at fair value; and
- lower profitability since the Guarantor may not be able to fully track the decline in interest rates in its savings rate.

***The Guarantor may incur losses due to failures of banks falling under the scope of state compensation schemes***

In Belgium and Luxembourg deposit guarantee schemes and similar funds ("Compensation Schemes") have been implemented from which compensation may become payable to customers of financial services firms in the event the financial service firm is unable to pay, or unlikely to pay, claims against it. These Compensation Schemes are mainly funded, directly or indirectly, by financial services firms which operate and/or are licensed in the relevant jurisdiction. As a result of the increased number of bank failures, in particular since the fall of 2008, the Guarantor expects that levies in the industry will continue to rise as a result of the Compensation Schemes. In particular, the Guarantor is a participant in the Belgian Deposit Guarantee Scheme, which guarantees an amount of EUR 100,000 per person per bank (regardless of the number of accounts held). The Belgian Compensation Scheme is an ex-ante scheme where the Guarantor pays yearly contributions to ensure the scheme holds a target level of fund regardless of whether any failures occur. ING Luxembourg S.A., the Guarantor's Luxembourg subsidiary is participating to the Luxembourg Deposit Guarantee Scheme which is an ex-post scheme, whereby the participating bank contributes after the failure of a firm. The ultimate costs to the industry of payments which may become due under the Compensation Schemes remains uncertain, although they may be significant and these and the associated costs to the Guarantor and its Luxembourg subsidiary may have a material adverse effect on its financial condition.

***The Guarantor may be unable to manage its risks successfully through derivatives***

The Guarantor employs various economic hedging strategies with the objective of mitigating the market risks that are inherent in its business and operations. These risks include currency fluctuations, changes in the fair value of its investments, the impact of interest rate, equity markets and credit spread changes. The Guarantor seeks to control these risks by, among other things, entering into a number of derivative instruments, such as swaps, options, futures and forward contracts including from time to time macro hedges for parts of its business, either directly as a counterparty or as a credit support provider to affiliate counterparties.

Developing an effective strategy for dealing with these risks is complex, and no strategy can completely insulate the Guarantor from risks associated with those fluctuations. The Guarantor's hedging strategies also rely on assumptions and projections regarding its assets, liabilities, general market factors and the creditworthiness of its counterparties that may prove to be incorrect or prove to be inadequate. Accordingly, the Guarantor's hedging activities may not have the desired beneficial impact on its financial condition. Poorly designed strategies or improperly executed transactions could actually increase the Guarantor's risks and losses. Hedging strategies involve transaction costs and other costs, and if the Guarantor terminates a hedging arrangement, it may also be required to pay additional costs, such as transaction fees or breakage costs. There have been periods in the past, and it is likely that there will be periods in the future, during which the Guarantor has incurred or may incur losses on transactions, perhaps significant, after taking into account its hedging strategies. Further, the nature and timing of the Guarantor's hedging transactions could actually increase its risk and losses. In addition, hedging strategies involve transaction costs and other costs. The Guarantor's hedging strategies and the derivatives that it uses and

may use may not adequately mitigate or offset the risk of interest rate volatility, and the Guarantor's hedging transactions may result in losses.

The Guarantor's hedging strategy additionally relies on the assumption that hedging counterparties remain able and willing to provide the hedges required by its strategy. Increased regulation, market shocks, worsening market conditions (whether due to the ongoing Euro crisis or otherwise) and/or other factors that affect or are perceived to affect the financial condition, liquidity and creditworthiness of the Guarantor may reduce the ability and/or willingness of such counterparties to engage in hedging contracts with it and/or other parties, affecting the Guarantor's overall ability to hedge its risks and adversely affecting its business, operations, financial condition and liquidity.

***The Guarantor may be unable to retain key personnel.***

As a financial services enterprise with a decentralised management structure, the Guarantor relies to a considerable extent on the quality of local management in the countries in which the Guarantor operates. The success of the Guarantor's operations is dependent, among other things, on the Guarantor's ability to attract and retain highly qualified professional personnel. Competition for key personnel in countries in which the Guarantor operates is intense. The Guarantor's ability to attract and retain key personnel, in particular senior officers, experienced portfolio managers, mutual fund managers and sales executives, is dependent on a number of factors, including prevailing market conditions and compensation packages offered by companies competing for the same talent.

As a part of the responses of the European Commission and governments throughout Europe to the financial crisis in 2008, there have been various legislative initiatives, including those set out in Directive 2010/76/EU (CRD III), the Guidelines on Remuneration Policies and Practices published by (the predecessor of) the European Banking Authority (EBA), to ensure that financial institutions' remuneration policies and practices are consistent with and promote sound and effective risk management, and that impose restrictions on the remuneration of personnel, in particular senior management, with a focus on risk alignment of performance-related remuneration. These restrictions could have an impact on existing the Guarantor's remuneration policies and individual remuneration packages of personnel.

These restrictions, alone or in combination with the other factors described above, could adversely affect the Guarantor's ability to retain or attract qualified employees.

***Because the Guarantor uses assumptions to model client behaviour for the purpose of its market risk calculations, the difference between the realisation and the assumptions may have an adverse impact on the risk figures and future results.***

The Guarantor uses assumptions in order to model client behaviour for the risk calculations in its banking books. Assumptions are used to determine the price sensitivity of savings and current accounts and to estimate the embedded optional risk in the mortgage and investment portfolios. The realisation or use of different assumptions to determine the client behaviour could have a material adverse effect on the calculated risk figures and ultimately future financial performance.

***The Guarantor may incur further liabilities in respect of its defined benefit retirement plans if the value of plan assets is not sufficient to cover potential obligations, including as a result of differences between results and underlying actuarial assumptions and models.***

ING operates various defined benefit retirement plans covering a significant number of its employees. The liability recognised in the Guarantor's consolidated balance sheet in respect of its defined benefit plans is the present value of the defined benefit obligations at the balance sheet date, less the fair value of each plan's assets, together with adjustments for unrecognised actuarial gains and losses and unrecognised past service costs. ING determines its defined benefit plan obligations based on internal and external actuarial models and calculations using the projected unit credit method. Inherent in these actuarial models are assumptions including discount rates, rates of increase in future salary and benefit levels,



mortality rates, trend rates in health care costs, consumer price index and the expected return on plan assets. These assumptions are based on available market data and the historical performance of plan assets, and are updated annually. Nevertheless, the actuarial assumptions may differ significantly from actual results due to changes in market conditions, economic and mortality trends and other assumptions. Any changes in these assumptions could have a significant impact on the Guarantor's present and future liabilities to and costs associated with its defined benefit retirement plans.

***The Guarantor's risk management policies and guidelines may prove inadequate for the risks it faces***

The methods the Guarantor uses to manage, estimate and measure risk are partly based on historic market behaviour. The methods may, therefore, prove to be inadequate for predicting future risk exposure, which may be significantly greater than what is suggested by historic experience. For instance, these methods may not predict the losses seen in the stressed conditions in recent periods, and may also not adequately allow prediction of circumstances arising due to the government interventions and stimulus packages, which increase the difficulty of evaluating risks. Other methods for risk management are based on evaluation of information regarding markets, customers or other information that is publicly known or otherwise available to the Guarantor. Such information may not always be correct, updated or correctly evaluated.

***The Guarantor is subject to a variety of regulatory risks as a result of its operations in certain countries.***

In certain countries in which the Guarantor operates, judiciary and dispute resolution systems may be less developed. As a result, in case of a breach of contract, the Guarantor may have difficulties in making and enforcing claims against contractual counterparties and, if claims are made against the Guarantor, it might encounter difficulties in mounting a defence against such allegations. If the Guarantor becomes party to legal proceedings in a market with an insufficiently developed judiciary system, it could have an adverse effect on its operations and net result.

In addition, as a result of the Guarantor's operations in certain countries, it is subject to risks of possible nationalisation, expropriation, price controls, exchange controls and other restrictive government actions, as well as the outbreak of hostilities, in these markets. In addition, the current economic environment in certain of these countries in which the Guarantor operates may increase the likelihood for regulatory initiatives to enhance consumer protection or to protect homeowners from foreclosures. Any such regulatory initiative could have an adverse impact on the Guarantor's ability to protect its economic interests in the event of defaults on residential mortgages.

***Because the Guarantor is continually developing new financial products, it might be faced with claims that could have an adverse effect on the Guarantor's operations and net result if clients' expectations are not met.***

When new financial products are brought to the market, communication and marketing aims to present a balanced view of the product (however there may be a focus on potential advantages for the customers). While the Guarantor engages in due diligence processes when developing products, if the products do not generate the expected profit, or result in a loss, or otherwise do not meet expectations, customers may file mis-selling claims against the Guarantor. Mis-selling claims are claims from customers who allege that they have received insufficient, wrong or misleading advice or other information from either the Guarantor or internal or external advisers (even though the Guarantor does not always have full control over the external advisers). Complaints may also arise if customers feel that they have not been treated reasonably or fairly, or that the duty of care has not been complied with. While a considerable amount of time and money has been invested in reviewing and assessing historic sales practices, and in the maintenance of risk management, legal and compliance procedures to monitor current sales practices, there can be no assurance that all of the issues associated with current and historic sales practices have been or

will be identified, nor that any issues already identified will not be more widespread than presently estimated. The negative publicity associated with any sales practices, any compensation payable in respect of any such issues and/or regulatory changes resulting from such issues could have a material adverse effect on the Guarantor's reputation, operations and net result. Customer protection regulations as well as changes in interpretation and perception by the public at large, justice and/or governmental authorities of acceptable market practices might influence client expectations.

***Ratings are important to the Guarantor's business for a number of reasons. Downgrades could have an adverse impact on the Guarantor's operations and net results***

The Guarantor has credit ratings from Standard & Poor's, Moody's and Fitch. Each of the rating agencies reviews its ratings and rating methodologies on a recurring basis and may decide on a downgrade at any time. In the event of a downgrade the cost of issuing debt will increase, having an adverse effect on net results. Certain institutional investors may also be obliged to withdraw their deposits from the Guarantor following a downgrade, which could have an adverse effect on its liquidity.

***The Guarantor's businesses may be negatively affected by a sustained increase in inflation.***

A sustained increase in the inflation rate in the Guarantor's principal markets would have multiple impacts on the Guarantor and may negatively affect its business, solvency position and financial performance. For example, a sustained increase in the inflation rate may result in an increase in market interest rates which may:

(1) decrease the estimated fair value of certain fixed income securities it holds in its investment portfolios resulting in

- reduced levels of unrealized capital gains available to it which could negatively impact its solvency position and net income and/or
- a decrease of collateral values,

(2) require the Guarantor, as a potential issuer of securities, to pay higher interest rates on debt securities it could issue in the financial markets from time to time to finance its operations which would increase the Guarantor's interest expenses and reduce its results of operations.

A significant and sustained increase in inflation has historically also been associated with decreased prices for equity securities and sluggish performance of equity markets generally. A sustained decline in equity markets may :

(1) result in impairment charges to equity securities that it holds in its investment portfolios and reduced levels of unrealised capital gains available to it which would reduce its net income and negatively impact its solvency position and/or

(2) negatively impact the ability of the Guarantor's asset management subsidiaries to retain and attract assets under management, as well as the value of assets they do manage, which may negatively impact their results of operations.

***Operational risks are inherent in the Guarantor's businesses.***

The Guarantor's businesses depend on the ability to process a large number of transactions efficiently and accurately. Losses can result from inadequately personnel, IT failures, inadequate or failed internal control processes and systems, regulatory breaches, human errors, employee misconduct including fraud, or from external events that interrupt normal business operations. The Guarantor depends on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. The equipment and software used in the Guarantor's computer systems and networks may be at or near the end of their useful lives or may not be capable of processing, storing or transmitting information as expected. Certain of the Guarantor's computer systems and networks may also have

insufficient recovery capabilities in the event of a malfunction or loss of data. In addition, such systems and networks may be vulnerable to unauthorised access, computer viruses or other malicious code and other external attacks or internal breaches that could have a security impact and jeopardize the Guarantor's confidential information or that of its clients or its counterparts. These events can potentially result in financial loss, harm to the Guarantor's reputation and hinder its operational effectiveness. The Guarantor also faces the risk that the design of its controls and procedures prove to be inadequate or are circumvented. The Guarantor has suffered losses from operational risk in the past and there can be no assurance that it will not suffer material losses from operational risk in the future.

***The Guarantor's businesses may be negatively affected by adverse publicity, regulatory actions or litigation with respect to such businesses, other well-known companies or the financial services industry in general.***

Adverse publicity and damage to the Guarantor's reputation arising from its failure or perceived failure to comply with legal and regulatory requirements, financial reporting irregularities involving other large and well-known companies, increasing regulatory and law enforcement scrutiny of "know your customer" anti-money laundering, prohibited transactions with countries subject to sanctions, and bribery or other anti-corruption measures and anti-terrorist-financing procedures and their effectiveness, regulatory investigations of the mutual fund and banking industries, and litigation that arises from the failure or perceived failure by the Guarantor to comply with legal, regulatory and compliance requirements, could result in adverse publicity and reputation harm, lead to increased regulatory supervision, affect the Guarantor's ability to attract and retain customers, maintain access to the capital markets, result in cease and desist orders, suits, enforcement actions, fines and civil and criminal penalties, other disciplinary action or have other material adverse effects on the Guarantor in ways that are not predictable.

***The implementation of the Restructuring Plan and the divestments anticipated in connection with that plan will significantly alter the size and structure of ING and involve significant costs and uncertainties that could materially impact ING Bank and the Guarantor.***

As a result of having received state aid through the Dutch State Transactions, ING was required to submit a Restructuring Plan to the EC in connection with obtaining final approval for the Dutch State Transactions under the EC state aid rules. On 26 October 2009, ING announced its Restructuring Plan, pursuant to which ING is required to divest by the end of 2013 all of ING's insurance business, including the investment management business, as well as ING Direct US, which operates ING Bank's direct banking business in the United States, and certain portions of its retail banking business in The Netherlands. The EC's approval of the Restructuring Plan was issued on 18 November 2009. On 28 January 2010 ING lodged an appeal with the General Court of the European Union (the "General Court") against specific elements of the EC's decision regarding the Restructuring Plan. On 2 March 2012, the General Court partially annulled the Commission's decision of 18 November 2009 and as a result a new decision must be issued by the Commission. On 11 May 2012 the European Commission (EC) has decided to appeal the General Court judgment of 2 March 2012 that partially annulled the EC decision regarding ING's Restructuring Plan. The EC has also decided to anew approve ING's state aid on the basis of the original Restructuring Plan from 2009 and to start an in-depth investigation a market consultation on three issues, as published by the European Commission. ING will carefully assess these EC decisions as well as the consequences.

In connection with the Restructuring Plan, ING was required to agree to not be a price leader in certain EU markets with respect to certain retail, private and direct banking products and to refrain from (i) acquisitions of financial institutions and (ii) acquisitions of other businesses if this would delay ING's repurchase of the remaining Core Tier 1 Securities. Those limitations may last until at least 18 November 2012 and could adversely affect its ability to maintain or grow market share in key markets as well as its results of operations.

There can be no assurance that ING will be able to implement the Restructuring Plan successfully or

complete the announced divestments on favourable terms or at all, particularly in light of both the plan's 2013 deadline and expected challenging market conditions in which other financial institutions may place similar assets for sale during the same time period and may seek to dispose of assets in the same manner. Any failure to successfully implement the Restructuring Plan may result in EC enforcement actions and may have a material adverse impact on the assets, profitability, capital adequacy and business operations of ING. Moreover, in connection with the implementation of the Restructuring Plan, including any proposed divestments, ING or potential buyers may need to obtain various approvals, including of shareholders, works councils and regulatory and competition authorities, and ING and potential buyers may face difficulties in obtaining these approvals in a timely manner or at all. In addition, the implementation of the Restructuring Plan may strain relations with its employees, and specific proposals in connection with the implementation may be opposed by labour unions or works councils.

Furthermore, following the announcement of the Restructuring Plan, several of ING's subsidiaries (as ING Bank and the Guarantor) have been downgraded or put on credit watch by rating agencies.

Other factors that may impede ING's ability to implement the Restructuring Plan successfully include an inability of prospective purchasers to obtain funding due to the deterioration of the credit markets, insufficient access to equity capital markets, a general unwillingness of prospective purchasers to commit capital in the current market environment, antitrust concerns, any adverse changes in market interest rates or other borrowing costs and any declines in the value of the assets to be divested. Similarly, it may also be difficult to divest all or part of ING's insurance or investment management business through one or more initial public offerings. There can also be no assurance that ING could obtain favourable pricing for a sale of all or part of its insurance or investment management business in the public markets or succeed in turning the relevant subsidiaries into viable standalone businesses. A divestment may also release less regulatory capital than ING would otherwise expect.

Any failure to complete the divestments on favourable terms could have a material adverse impact on ING's assets, profitability, capital adequacy and business operations. If ING is unable to complete the announced divestments in a timely manner, it would be required to find alternative ways to reduce ING's leverage, and it could be subject to enforcement actions or proceedings by the EC. In particular, if ING does not succeed in completing divestitures as described in the Restructuring Plan within the timelines set out therein, the EC may request the Dutch State to appoint a divestiture trustee with a mandate to complete the relevant divestiture with no minimum price.

The implementation of the divestments announced in connection with the Restructuring Plan, including the separation of the insurance and most of the investment management operations from the banking operations, will also give rise to additional costs related to the legal and financial assessment of potential transactions. The implementation may also result in increased operating and administrative costs. The process of completing the steps contemplated by the Restructuring Plan may be disruptive to ING's business and the businesses ING is trying to sell and may cause an interruption or reduction of its business and the businesses to be sold as a result of, among other factors, the loss of key employees or customers and the diversion of management's attention from ING's day-to-day business as a result of the need to manage the divestment process as well as any disruptions or difficulties that arise during the course of the divestment process. ING may face other difficulties in implementing the Restructuring Plan and completing the planned divestments. For instance, the divestments, individually or in the aggregate, may trigger provisions in various contractual obligations, including debt and capital instruments, which could require ING to modify, restructure or refinance those or other related obligations. ING may not be able to effect any such restructuring or refinancing on similar terms as the current contractual obligations or at all. In addition, the announced divestments could be the subject of challenges or litigation, and a court could delay any of the divestment transactions or prohibit them from occurring on their proposed terms, or from occurring at all, which could adversely affect ING's ability to use the funds of the divestments to repay the Core Tier 1 Securities, reduce or eliminate its double leverage and strengthen its capital ratios as anticipated

and eliminate the constraints on competition imposed by the EC.

***Upon the implementation of the Restructuring Plan, ING will be less diversified and ING Bank and the Guarantor may experience competitive and other disadvantages.***

Following completion of the planned divestments under the Restructuring Plan, ING expects to become a significantly smaller, regional financial institution focused on retail, direct and commercial banking in the Benelux region and certain other parts of Europe, as well as selected markets outside Europe. Although ING will remain focused on banking operations, ING Bank may become a smaller bank than that represented by its current banking operations. In the highly competitive Benelux market in which the Guarantor operates, its competitors may be larger, more diversified and better capitalised and have greater geographical reach than the Guarantor, which could have a material adverse effect on ING Bank's ability to compete, as well as on its profitability. The divested businesses may also compete with the retained businesses on their own or as part of the purchasers' enlarged businesses. In addition, the restrictions on ING Bank's and the Guarantor's ability to be a price leader and make acquisitions and on its compensation policies could further hinder their respective capacity to compete with competitors not burdened with such restrictions, which could have a material adverse effect on ING Bank's and the Guarantor's results of operations. There can be no assurance that the implementation of the Restructuring Plan will not have a material adverse effect on the market share, business and growth opportunities and results of operations for the Guarantor's core banking businesses.

### **PART 3 - RISK FACTORS RELATING TO NOTES**

*In addition to the risks identified in "Risk Factors – Part 1: General" above, potential investors in Notes should consider the following:*

#### **Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### ***Notes subject to optional redemption by the Issuer***

An optional redemption feature in any Notes may negatively impact their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### ***Share Linked Notes, Index Linked Notes, Fund Linked Notes, Credit Linked Notes, Inflation Linked Notes, Commodity Linked Notes, Commodity Index Linked Notes and Dual Currency Notes***

The Issuer may issue Notes with principal or interest determined by reference to a particular share, index, fund, security, inflation index, formula, commodity, commodity index, currency exchange rate, dividend and/or cash payment on a share or other factor (each, a "Relevant Factor"). The Issuer may also issue Credit Linked Notes with the amount(s) of principal and/or interest payable determined by reference to the credit of one or more Reference Entities and the obligations of such Reference Entity/ies. In addition, the Issuer may issue Dual Currency Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware that:

- (i) the market price of such Notes may be very volatile. The market price of the Notes at any time is likely to be affected primarily by changes in the level of the Relevant Factor to which the Notes are linked. It is impossible to predict how the level of the Relevant Factor will vary over time;
- (ii) such Notes may involve interest rate risk, including the risk of Noteholders receiving no interest;
- (iii) payment of principal or interest may occur at a different time or in a different currency than expected;
- (iv) they may lose all or a substantial portion of their principal;
- (v) a Relevant Factor may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other securities, indices or funds, resulting in principal or interest payable that also may not correlate with such changes;
- (vi) a Relevant Factor connected to emerging markets may be subject to significant fluctuations attributable to, among other things, nationalisation, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in emerging market countries have substantially less volume, and are generally less liquid and more volatile, than those in more developed markets. As a result, an investor in Notes with a Relevant Factor connected to emerging markets should be prepared to hold such Notes for an indefinite period and to experience potentially sharp changes in the value of such Notes throughout that period. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcement of existing regulations. An investor in Notes with a Relevant Factor connected to emerging markets may therefore experience a decrease in the value of such Notes as a result of market or other developments that are less likely in more stringently regulated markets;
- (vii) if a Relevant Factor is applied to Notes in conjunction with a multiplier greater than one or contains some other leverage factor, the effect of changes in the Relevant Factor on principal or interest payable likely will be magnified;
- (viii) the timing of changes in a Relevant Factor may affect the actual yield to investors, even if the average level is consistent with their expectations. In general, the earlier the change in the Relevant factor, the greater the effect on yield;
- (ix) with respect to Share Linked Notes, if the Notes are redeemable either by payment of the principal amount or by delivery of the underlying shares in lieu thereof, there is no assurance that the value of the shares received will not be less than the principal amount of the Notes;
- (x) with respect to Credit Linked Notes, the value and the amount(s) of principal and/or interest payable will be linked to the creditworthiness of the relevant Reference Entity/ies, which value may generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity/ies, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates and/or the occurrence of a Credit Event (or other Termination Event).
- (xi) Notes are of limited maturity and, unlike direct investments in a share, index, fund, security, inflation index, commodity or other asset, investors are not able to hold them beyond the Maturity Date in the expectation of a recovery in the price of the underlying;
- (xii) the price at which an investor will be able to sell Notes prior to the Maturity Date may be at a substantial discount to the market value of the Notes at the time they are issued depending on the performance of the Relevant Factor.
- (xiii) there are market risks associated with an actual investment in the underlying share, index, fund, security, inflation index, commodity or other asset, and though the Notes do not create an actual interest in such underlying share, index, fund, security, inflation index, commodity or other asset, the

return on the Notes generally involves the same associated risks as an actual investment in the underlying share, index, fund, security, inflation index, commodity or other asset. Potential investors in Notes should understand that the Issuer has not purported and do not purport to be a source of information concerning the market risks associated with such underlying share, index, fund, security, inflation index, commodity or other asset; and

- (xiv) the Issuer may invest in the underlying share, index, fund, security, inflation index, commodity or other asset for its own account, and may exercise its discretion in respect of matters concerning its holdings of such interests as it sees fit, without regard to the interests of any investor in the Notes.

#### ***Fund Linked Notes***

The Issuer may issue Notes with principal and/or interest determined by reference to the performance of an underlying fund. Potential investors in Fund Linked Notes should understand that:

- (i) there are market risks associated with an actual investment in the underlying fund(s), and though the Notes do not create an actual interest in the underlying fund(s), the return on the Notes generally involves the same associated risks as an actual investment in the underlying fund(s). Potential investors in Notes should understand that the Issuer has not purported and does not purport to be a source of information concerning the market risks associated with such underlying fund or fund interests;
- (ii) third parties, not related to the Issuer or the Guarantor, may subscribe for and redeem underlying fund interests. These investments may affect the performance and volatility of such fund's net asset value. In turn, this could affect, from time to time, the return on the Notes;
- (iii) the Guarantor may invest in the underlying fund(s) for its own account, and may exercise its discretion in respect of matters concerning its holdings of fund interests as it sees fit, without regard to the interests of any investor in the Notes;
- (iv) any performance of the underlying fund(s) necessary for the Notes to yield a specific return is not assured. Potential investors in the Notes should understand that the performance of the underlying fund(s) may, depending on the terms of the Notes, strongly affect the value of payments on the Notes and the Issuer has no control over the underlying fund(s) or the performance of such fund(s);
- (v) the value of units in the underlying fund(s) and the income from it may fluctuate significantly. The Issuer has not provided and will not provide during the term of the Notes prospective purchasers of the Notes with any information or advice with respect to the performance of an underlying fund. The Issuer may have acquired, or during the term of the Notes may acquire, non-public information with respect to an underlying fund, which will not be provided to the Noteholders. The Issuer makes no representation or warranty about, or guarantee of, the performance of an underlying fund. Past performance of an underlying fund cannot be considered a guide to future performance;
- (vi) the funds may follow a wide range of investment strategies, and invest in assets in a number of different countries and denominated in a number of different currencies. The returns to the Noteholders may, therefore, be materially affected by, among other things, market trends, exchange rate fluctuations and political and economic developments in the relevant countries. This may lead to substantial volatility in the net asset value of the funds;
- (vii) the funds may have investment strategies and guidelines that are very broad. They may also be free to engage in additional or alternative strategies without reference to any other person. The returns to the Noteholders may, therefore, be materially affected by a wide range of possible investment decisions in respect of the underlying funds;
- (viii) the funds may often rely on a few individuals to determine their investment strategies and to make investment decisions. The loss of such individuals could jeopardise the performance of the funds;

- (ix) the funds may be engaged in a high level of trading with commensurately high brokerage and transaction costs, as well as costs associated with leverage, such as interest payments and margin maintenance. Such costs will adversely affect the net asset value of the funds;
- (x) the funds will be exposed to credit risks against brokers and other counterparties with which they deal in implementing their investment strategies;
- (xi) where underlying funds invest in unlisted shares and certain other assets, risks associated with reduced liquidity and lack of objective valuations will arise. The underlying funds may invest in emerging markets. This involves risks attributable to nationalisations, expropriation or taxation, currency devaluation, foreign exchange control, political, social or diplomatic instability or governmental restrictions. The capital markets in such countries have substantially less volume, and are generally less liquid and more volatile, than those in more developed markets. As a result, an investor in such Notes should be prepared to hold those Notes for an indefinite period and to experience potentially sharp changes in the value of such Notes throughout that period. Disclosure and regulatory requirements could be less stringent than in other markets, with a low level of monitoring and limited and uneven enforcement of existing regulations. An investor in such Notes may therefore experience a decrease in the value of these Notes as a result of market or other developments that are less likely in more stringently regulated markets;
- (xii) certain of the underlying funds may have no or a limited operating history, with no proven track record in achieving their stated investment objectives;
- (xiii) the underlying funds, or some of them, may be wholly unregulated investment vehicles and may trade in futures, options, forward exchange contracts and other derivative instruments, which may represent significant investment risks. In addition, underlying funds may acquire leveraged trading positions, including through the use of borrowing, and may engage in short selling. As a result of leverage, relatively small adverse price movements may result in substantial losses; and
- (xiv) an underlying fund itself may be subject to fees and charges on its investments which shall be borne by such fund and incorporated in the value of interests in it.

#### ***Dynamic and Static Portfolio Notes***

The Issuer may issue Notes with principal and interest determined by reference to the performance of a dynamic or static portfolio. Potential investors in Dynamic and Static Portfolio Notes should understand that:

- (i) the master portfolio is a notional investment with no separate legal personality, and that adjustments of the hypothetical investments comprising it will be made solely in the books and records of the Issuer. A notional investment in, or notional exposure to, the master portfolio is not an investment in the underlying assets themselves and, although the performance of the underlying assets will impact the return on the Notes, the underlying assets and the Notes are separate obligations of different legal entities. Potential investors will not have an interest in, or recourse to, the issuer or owner the underlying assets, nor will they be able to control its actions;
- (ii) in the case of Dynamic and Static Portfolio Notes comprising a leverage portfolio, added exposure to the underlying assets gained by the notional borrowing under the leverage portfolio will create an additionally leveraged position and thereby magnify the effects of the underlying assets' performance on the return of the Notes after the deduction of the notional borrowing and associated costs. The value of the underlying assets may go down as well as up. For the purposes of the Notes this movement will be exaggerated in the way it is represented by the change in value of the master portfolio;
- (iii) in the case of Dynamic and Static Portfolio Notes comprising a deposit portfolio, while an increased notional allocation to the deposit portfolio will protect an investor against reduced performance of



the underlying assets after the time such allocation adjustment is made (but not before), should the underlying assets' performance subsequently improve it will not be possible for investors to benefit from a corresponding advantage unless and until there is a subsequent allocation adjustment between the reference portfolio and the deposit portfolio, which may only happen at prescribed intervals;

- (iv) in the case of Dynamic Portfolio Notes, allocation adjustment provisions mean that the return on any investment in the Notes is extremely dependent on the timing of allocations between portfolios. Therefore, no assessment can be made with respect to the expected returns on the Notes. For example, a significant reduction in value, volatility or other dynamic allocation variable of the underlying assets of the master portfolio in the first year following the issue of the Notes may lead to a reduction in the exposure to the underlying assets of the master portfolio, which could limit the opportunity to increase the value of the reference portfolio if there is a subsequent increase in value of the underlying assets of the master portfolio at the same rate as if the exposure to the underlying assets of the master portfolio had remained at the level of exposure on the issue date of the Notes, even if future increases in the value of the reference portfolio subsequently increase the exposure of the Notes to the underlying assets of the master portfolio to original levels. Potential investors should also understand that the exposure to the underlying assets may be reduced (with a corresponding increased notional investment in the deposit portfolio) if the formulaic allocation exceeds specified thresholds over the relevant interval. If as a result of such allocations 100 per cent. of the assets of the master portfolio are allocated to the deposit portfolio, the master portfolio will no longer benefit from any upside in the value of the underlying assets and no reallocation to the reference portfolio or the leverage portfolio will be made; and
- (v) an investment in Notes linked to the underlying assets brings with it market risk associated with an actual investment in the underlying assets themselves, and whilst the Notes do not create an actual interest in the underlying assets, the return on the Notes attracts the same associated risks as an actual investment. Potential investors should consult the risk factors relating to the relevant underlying assets included elsewhere in this section "Risk Factors".

### ***Exchangeable Notes***

The Issuer may issue Exchangeable Notes. Exchangeable Notes involve complex risks which include equity market risks (because such Notes are exchangeable for shares and their value is therefore affected by such shares) and may include interest rate, foreign exchange and/or political risks. Interest rate risk arises if the Exchangeable Notes bear interest and involves the risk that subsequent changes in market interest rates may adversely affect the value of the Exchangeable Notes. Foreign exchange risk can arise if the Exchangeable Notes or the shares underlying them are denominated in a currency other than an investor's own currency, or if the shares underlying the Exchangeable Notes are denominated in a currency different to that in which the Exchangeable Notes are denominated. Political risk can arise if the issuer of the shares underlying the Exchangeable Notes is incorporated or operates in a jurisdiction in which political risk exists.

Before buying Exchangeable Notes, investors should carefully consider, among other things, (i) the value and volatility of the shares underlying the Exchangeable Notes, (ii) any currency exchange rate risk arising from the fact that the shares underlying the Exchangeable Notes may be in a different currency to the Exchangeable Notes and (iii) the depth of the market or liquidity of the shares underlying the Exchangeable Notes.

Fluctuations in the prices of shares underlying Exchangeable Notes will affect the value of the Exchangeable Notes.

The market value for Exchangeable Notes will be affected by a number of factors independent of the creditworthiness of the Issuer and the Guarantor and the value of the shares underlying the Exchangeable Notes including, but not limited to, the volatility of such shares, the dividend rate on the shares, the

financial results and prospects of the relevant share issuer, market interest and yield rates and the time remaining to any redemption date. In addition, the value of shares underlying Exchangeable Notes will depend on a number of interrelated factors, including economic, financial and political events in countries where the relevant share issuer operates and elsewhere, including factors affecting capital markets generally and the stock exchanges on which the relevant shares are traded. The price at which a holder of Exchangeable Notes will be able to sell such Exchangeable Notes prior to maturity may be at a discount, which could be substantial, from the principal amount thereof, if, at such time, the market price of the relevant shares is below, equal to or not sufficiently above the market price of the shares at the date on which pricing of the Exchangeable Notes occurs.

Unless indicated otherwise for a particular issue, rights to exchange Exchangeable Notes for shares will not be exercisable in respect of any specific shares or other exchange property and no exchange property will be charged to secure or satisfy the obligations of the Issuer in respect of such rights to exchange. At any time the Issuer may or may not be the owner of the whole or any part of the exchange property and, unless indicated otherwise for a particular issue, is not under any obligation to hold any shares or other exchange property. The composition of the exchange property may also change as a result of the operation of the provisions of the terms and conditions for a particular issue.

In exercising any voting rights attached to the shares underlying Exchangeable Notes, neither the Issuer nor any of its affiliates is obliged to take account of the interests of the holders of Exchangeable Notes and it is therefore possible that such rights may be exercised in a manner which is contrary to the interests of holders of Exchangeable Notes.

#### ***Partly-paid Notes***

The Issuer may issue Partly-paid Notes, where an investor pays part of the purchase price for the Notes on the issue date, and the remainder on one or more subsequent dates. Potential purchasers of such Notes should understand that a failure by a Noteholder to pay any portion of the purchase price when due may trigger a redemption of all of the Notes by the Issuer and may cause such purchaser to lose all or part of its investment.

#### ***Variable rate Notes with a multiplier or other leverage factor***

The Issuer may issue Notes with variable interest rates. Such Notes can be volatile investments. If they are structured to include multipliers or other leverage factors, or caps or floors, or any combination of those features, their market values may be even more volatile than those for securities that do not include those features.

#### ***Inverse Floating Rate Notes***

The Issuer may issue Inverse Floating Rate Notes. Such Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

#### ***Fixed/Floating Rate Notes***

The Issuer may issue Fixed/Floating Rate Notes. Such Notes may bear interest at a rate that the Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. The Issuer's ability to convert the interest rate will affect the secondary market trading and the market value generally of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than

the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

### ***Credit Linked Notes***

*Terms used but not defined below are as defined in the Terms and Conditions of the Credit Linked Notes, as set out in Chapter 5, Part 1.*

The Issuer may issue Credit Linked Notes, which are securities which are credit-linked to the performance of one or more Reference Entities and the obligations of such Reference Entity/ies. Investors should note that Credit Linked Notes differ from ordinary debt securities issued by the Issuer in that the amount of principal and interest payable by the Issuer is dependent on whether a Credit Event (or other relevant Termination Event) has occurred in respect of the relevant Reference Entity/ies. In certain circumstances the Notes will cease to bear interest and the value paid to Noteholders on redemption may be less than their original investment and may in certain circumstances be zero. Investors should have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of investing in Credit Linked Notes as well as access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation.

Investors in the Credit Linked Notes will be exposed to the credit risk of the Reference Entity from the Credit Event Backstop Date. The Credit Event Backstop Date may be a date prior to the Issue Date of the Notes. Prospective purchasers of the Notes should conduct their own investigations and, in deciding whether or not to purchase the Notes, should form their own views of the merits of an investment related to the Notes based upon such investigations. In particular, each investor contemplating purchasing any Notes should make its own appraisal of the Reference Entity. If in doubt, potential investors are strongly recommended to consult with their independent financial advisers before making any investment decision. Neither the Issuer nor any other person on its behalf makes any representation or warranty, express or implied, as to the credit quality of the Reference Entity. The Issuer may have acquired, or during the term of the Notes may acquire, confidential information with respect to the Reference Entity and is not required to disclose this information to the Noteholder or any other party.

Holders of Credit Linked Notes will have a contractual relationship only with the Issuer and not with any obligor in respect of any Reference Obligation or any Reference Entity. Consequently, the Credit Linked Notes will not constitute a purchase or other acquisition or assignment of any interest in any Reference Obligation or any Reference Entity. Holders of Credit Linked Notes will have rights solely against the Issuer and will have no recourse against the obligor in respect of any Reference Obligation or any Reference Entity. The Noteholders will not have any rights to acquire from the Issuer (or to require the Issuer to transfer, assign or otherwise dispose of) any interest in any Reference Obligation or any Reference Entity.

The Credit Linked Notes are linked to the creditworthiness of the relevant Reference Entity/ies. The likelihood of a Credit Event (or other relevant Termination Event) occurring in respect of any Reference Entity will generally fluctuate with, among other things, the financial condition and other characteristics of such Reference Entity, general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates.

Any quotations used in the calculation of the Cash Settlement Amount may be affected by factors other than the occurrence of the Credit Event (or other relevant Termination Event). Such prices may vary widely from dealer to dealer and substantially between Valuation Dates. The obligations selected, even absent a Credit Event (or other relevant Termination Event), may be illiquid and such illiquidity may be expected to be more pronounced following the occurrence of a Credit Event, thereby adversely affecting any determination of the value of such obligation which in turn will impact on the amount by which the Cash Settlement Amount of the Notes may be reduced. The Calculation Agent is entitled to select the obligation which has the lowest value in the market at the relevant time – providing such obligation satisfies certain specifications and limits for qualification as a Reference Obligation – for the purposes of

calculating the amount by which the Cash Settlement Amount is reduced following a Credit Event (or other relevant Termination Event).

Some Reference Obligations may have no, or only a limited, trading market. The liquidity of Reference Obligations will generally fluctuate with, among other things, the underlying liquidity of the loan and bond markets, general economic conditions, domestic and international political events, developments or trends in a particular industry and the financial condition of the relevant Reference Entity/ies. The financial markets have experienced periods of volatility and reduced liquidity which may re-occur and reduce the market value of the relevant Reference Obligation(s).

Some or all of the Reference Obligations may also be subject to restrictions on transfer and may be considered illiquid. If a Credit Event (or other relevant Termination Event) occurs in respect of a Reference Entity, any resulting diminution in market value of the related Reference Obligation could be further magnified by reason of such limited liquidity for Reference Obligations generally or that Reference Obligation in particular.

The terms and conditions of Credit Linked Notes do not incorporate by reference the definitions and provisions of the 2003 ISDA Credit Derivatives Definitions as supplemented by the March 2009 Supplement and July 2009 Supplement (the “Credit Derivatives Definitions”) and there may be differences between the definitions used in the Programme and the Credit Derivatives Definitions. Consequently, investing in the Credit Linked Notes is not exactly equivalent to investing in a credit default swap that incorporates the Credit Derivatives Definitions.

While ISDA has published and supplemented the Credit Derivatives Definitions in order to facilitate transactions and promote uniformity in the credit derivative market, the credit derivative market has evolved over time and is expected to continue to change. Consequently, the Credit Derivatives Definitions and the terms applied to credit derivatives, including credit linked securities, are subject to interpretation and further evolution. Past events have shown that the views of market participants may differ as to how the Credit Derivatives Definitions operate or should operate. As a result of the continued evolution in the market, interpretation of the Credit Linked Notes may differ in the future because of future market standards. Such a result may have a negative impact on the Credit Linked Notes.

Future amendments or supplements to the terms applicable to credit derivatives generally will only apply to Credit Linked Notes that have already been issued if the Issuer and the Noteholders agree to amend the Credit Linked Notes to incorporate such amendments or supplements and other conditions to amending the Credit Linked Notes have been met.

Credit Derivatives Determinations Committees were established pursuant to the March 2009 Supplement to the 2003 ISDA Credit Derivatives Definitions to make determinations that are relevant to the majority of the credit derivatives market and to promote transparency and consistency.

In making any determination the Issuer or the Guarantor in its capacity as Calculation Agent may have regard to decisions made by announcements, determinations and resolutions made by ISDA and/or the ISDA Credit Derivatives Determinations Committees. Such announcements, determinations and resolutions could affect the redemption and settlement of the Credit Linked Notes (including the quantum and timing of payments and/or deliveries on redemption). For the avoidance of doubt, neither the Issuer nor the Calculation Agent accept any liability to any person for any determinations, redemption, calculations and/or delay or suspension of payments and/or redemption of Credit Linked Notes resulting from or relating to announcements, publications, determinations and resolutions made by ISDA and/or any Credit Derivatives Determinations Committee.

Further information about the Credit Derivatives Determinations Committee may be found at [www.isda.org/credit](http://www.isda.org/credit).

By subscribing for or purchasing Credit Linked Notes, each Noteholder shall be deemed to agree

that (i) no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the Rules and/or any relevant Credit Derivatives Auction Settlement Terms, as applicable, shall be liable to Noteholders, and (ii) no DC Party and no legal counsel or other third-party professional hired by a DC Party in connection with such DC Party's performance of its respective duties under the Rules and/or any relevant Credit Derivatives Auction Settlement Terms is acting as fiduciary for, or as an advisor to, Noteholders.

If Auction Settlement is applicable in respect of any Credit Linked Note, then the amounts payable by and/or rights and obligations of the parties under such Credit Linked Note in respect of the relevant Reference Entity or Reference Obligation, will be determined in accordance with the Auction Final Price. The Noteholder takes the risk that where the Auction Final Price is used, this may result in a lower recovery value than a Reference Entity or Reference Obligation would have if such Auction Final Price had not been used. Also, the Issuer may have a conflict of interest to the extent that it participates in any auction or other process used to determine the Credit Event under the relevant ISDA auction protocol and is under no obligation to consider the interests of Noteholders when so acting.

The Issuer's obligations in respect of Credit Linked Notes exist regardless of the existence or amount of the Issuer's, the Guarantor's and/or any of its affiliates' credit exposure to a Reference Entity and the Issuer, the Guarantor and/or any of its affiliates need not suffer any loss nor provide evidence of any loss as a result of the occurrence of a Credit Event.

***Notes issued at a substantial discount or premium***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

**Additional risks factors specific to Italian Certificates**

Investment in Italian Certificates may embed an option. Therefore, they involve a high degree of risk, which may include, among others, all risks relating to options such as the high volatility. It is possible that the value of the option at its exercise date becomes zero. In such case, the investor will lose the amount invested to purchase the option. Prospective investors should be prepared to sustain a partial or total loss of the investment price of their Italian Certificates. Prospective investors should have enough experience with respect to options and option transactions and have sufficient knowledge of the functioning of options. They should understand the risks of transactions involving the relevant Italian Certificates and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Italian Certificates in light of their particular financial circumstances.

Since the value of the options is correlated to the Relevant Factor its performance depends on the value of such Relevant Factor. Hence, any investment in Italian Certificates implies risks related to the value of the Relevant Factor. In this respect, please see above "Risk Factors relating to Notes – Risks related to the structure of a particular issue of Notes – Share Linked Notes, Index Linked Notes, Fund Linked Notes, Credit Linked Notes, Inflation Linked Notes, Commodity Linked Notes, Commodity Index Linked Notes and Dual Currency".

**Exchange rates and exchange controls**

The Issuer will pay principal and interest on the Notes in a specified currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than the specified currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the specified currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the

Investor's Currency relative to the specified currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

The Issuer may also issue Notes where the amount of principal and/or interest payable is linked to the performance of one or more exchange rates. Movements in such exchange rates will impact the amount of principal and/or interest payable by the Issuer and may result in investors receiving less than they had expected.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate and/or restrict the convertibility or transferability of currencies within and/or outside of a particular jurisdiction. As a result, investors may receive less interest or principal than expected, or receive it later than expected or not at all.

### **No gross-up**

All payments made by the Issuer in respect of the Notes and/or by the Guarantor in respect of its guarantee shall be made, subject to any tax, duty, withholding, or other payment which may be required to be made, paid, withheld or deducted. Noteholders will not be entitled to receive grossed-up amounts to compensate for any such tax, duty, withholding or other payment and no event of default shall occur as a result of any such withholding or deduction. In addition, the Issuer shall have the right to redeem Notes issued by him if, on the occasion of the next payment due in respect of such Notes, the Issuer would be required to withhold or account for tax in respect of such Notes.

### **Interest rate risks**

Investment in fixed rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the fixed rate Notes.

### **Notes in New Global Note form**

The New Global Note form has been introduced to allow for the possibility of notes being issued and held in a manner which will permit them to be recognised as eligible collateral for monetary policy of the central banking system for the euro (the "Eurosystème") and intra-day credit operations by the Eurosystème either upon issue or at any or all items during their life. However in any particular case such recognition will depend upon satisfaction of the Eurosystème eligibility criteria at the relevant time. Investors should make their own assessment as to whether the Notes meet such Eurosystème eligibility criteria.

### **Modification**

The terms and conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally as well as for action by Noteholders through a resolution in writing. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority or, as the case may be, who did not sign a resolution in writing.

## **PART 4 - RISK FACTORS RELATING TO WARRANTS**

*In addition to the risks identified in "Risk Factors – Part 1: General" above, potential investors in Warrants should consider the following. Terms used but not defined previously in this Base Prospectus or below are as defined in the Terms and Conditions of the Warrants, as set out in Chapter 12, Part 1*

### **Investment in Warrants involves a high degree of risk**

Investment in Warrants involves a high degree of risk, which may include, among others, interest rate, foreign exchange, time value and political risks. Prospective purchasers of Warrants should recognise

that their Warrants, other than any Warrants having a minimum expiration value, may expire worthless. Purchasers should be prepared to sustain a total loss of the purchase price of their Warrants except, if so indicated in the Final Terms, to the extent of any minimum expiration value attributable to such Warrants. This risk reflects the nature of a Warrant as an asset which, other factors held constant, tends to decline in value over time and which may become worthless when it expires (except to the extent of any minimum expiration value). See “Certain Factors Affecting the Value and Trading Price of Warrants” below. Prospective purchasers of Warrants should be experienced with respect to options and option transactions, should understand the risks of transactions involving the relevant Warrants and should reach an investment decision only after careful consideration, with their advisers, of the suitability of such Warrants in light of their particular financial circumstances, the information set forth herein and the information regarding the relevant Warrants and the particular reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference to which the value of the relevant Warrants may relate, as specified in the applicable Final Terms.

The risk of the loss of some or all of the purchase price of a Warrant upon expiration means that, in order to recover and realise a return upon his or her investment, a purchaser of a Warrant must generally be correct about the direction, timing and magnitude of an anticipated change in the value of the relevant reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis which may be specified in the applicable Final Terms. Assuming all other factors are held constant, the more a Warrant is “out-of-the-money” and the shorter its remaining term to expiration, the greater the risk that purchasers of such Warrants will lose all or part of their investment. With respect to European-style Warrants, the only means through which a holder can realise value from the Warrant prior to the Exercise Date in relation to such Warrant is to sell it at its then market price in an available secondary market. See “Limited Liquidity of the Notes and Warrants” in “Risk Factors, Part 1: General” above.

Fluctuations in the value of the relevant index or basket of indices will affect the value of Index Warrants. Fluctuations in the price of the relevant share or value of the basket of shares will affect the value of Share Warrants. Fluctuations in the price or yield of the relevant debt instrument (including the relevant government bond) or value of the basket of debt instruments (including the basket of government bonds) will affect the value of Debt Warrants. Fluctuations in the rates of exchange between the relevant currencies will affect the value of Currency Warrants. Also, due to the character of the particular market on which a debt instrument (including a government bond) is traded, the absence of last sale information and the limited availability of quotations for such debt instrument (including such government bond) may make it difficult for many investors to obtain timely, accurate data for the price or yield of such debt instrument (including such government bond). Fluctuations in the value of the relevant commodity or basket of commodities will affect the value of Commodity Warrants.. Purchasers of Warrants risk losing their entire investment if the value of the relevant underlying basis of reference does not move in the anticipated direction.

### **Warrants are Unsecured Obligations**

The Warrants constitute direct, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

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

The Cash Settlement Amount (in the case of Cash Settled Warrants) or the difference in the value of the Entitlement and the Exercise Price (the “Physical Settlement Value”) (in the case of Physical Delivery Warrants) at any time prior to expiration is typically expected to be less than the trading price of such Warrants at that time. The difference between the trading price and the Cash Settlement Amount or the Physical Settlement Value, as the case may be, will reflect, among other things, the “time value” of the

Warrants. The “time value” of the Warrants will depend partly upon the length of the period remaining to expiration and expectations concerning the value of the reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference as specified in the applicable Final Terms. Warrants offer hedging and investment diversification opportunities but also pose some additional risks with regard to interim value. The interim value of the Warrants varies with the price level of the reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference as specified in the applicable Final Terms, as well as a result of a number of other interrelated factors, including those specified herein.

Before exercising or selling Warrants, Warrantholders should carefully consider, among other things, (i) the trading price of the Warrants, (ii) the value and volatility of the reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference as specified in the applicable Final Terms, (iii) the time remaining to expiration, (iv) in the case of Cash Settled Warrants, the probable range of Cash Settlement Amounts, (v) any change(s) in interim interest rates and dividend yields if applicable, (vi) any change(s) in currency exchange rates, (vii) the depth of the market or liquidity of the reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference as specified in the applicable Final Terms and (viii) any related transaction costs.

#### **Limitations on Exercise**

##### **(a) Maximum Exercise Amount**

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

##### **(b) Minimum Exercise Amount**

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

#### **Time Lag after Exercise**

In the case of any exercise of Warrants, there may be a time lag between the time a Warrantholder gives instructions to exercise and the time the applicable Cash Settlement Amount (in the case of Cash Settled Warrants) relating to such exercise is determined. Such delay could be significantly longer than



expected, particularly in the case of a delay in exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a market disruption event (if applicable) or following the imposition of any exchange controls or other similar regulations affecting the ability to obtain or exchange any relevant currency (or basket of currencies) in the case of Currency Warrants. The applicable Cash Settlement Amount may change significantly during any such period, and such movement or movements could decrease the Cash Settlement Amount of the Warrants being exercised and may result in such Cash Settlement Amount being zero.

**Certain Additional Risk Factors Associated with Currency Warrants**

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

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

## OVERVIEW

This section constitutes the general description of the programme in the meaning of article 22, §5, point 3 of Commission Regulation (EC) 809/2004, as amended from time to time.

### PART 1 - INTRODUCTION

This Base Prospectus replaces and supersedes the base prospectus to the Programme dated 5 July 2011. Any Notes or Warrants issued under the Programme are issued subject to the provisions set out herein. This does not affect any Notes or Warrants issued prior to the date hereof.

This Base Prospectus constitutes a base prospectus for the purposes of Article 5.4 of the Prospectus Directive for the purpose of giving information with regard to the Issuer, the Guarantor, the Notes and the Warrants which, according to the particular nature of the Issuer and the Guarantor and the Notes and the Warrants, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer and the Guarantor and of the rights attached to the Notes and Warrants.

ING Belgium International Finance S.A. with registered office at 52, route d'Esch, L- 1470 Luxembourg, Grand Duchy of Luxembourg ("IBIF"), having taken all reasonable care to ensure that such is the case, confirms that the information contained in this Prospectus (save Chapter I, part "ING Belgium SA/NV" for which ING Belgium SA/NV accepts responsibility) is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of such information. IBIF accepts responsibility accordingly.

ING Belgium SA/NV with registered office at avenue Marnixlaan 24, B-1000 Brussels, Belgium ("ING Belgium"), having taken all reasonable care to ensure that such is the case, confirms that the information contained in Chapter I, part "ING Belgium SA/NV" is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect the import of such information. ING Belgium accepts responsibility accordingly. ING Belgium also accepts responsibility for the correct translation of the 2010 and 2011 audit reports.

In relation to each separate issue of Notes and/or Warrants, the issue price and the amount of such Notes or Warrants will be determined before filing of the relevant Final Terms (as defined below) of each issue, based on then prevailing market conditions at the time of the issue of the Notes and/or Warrants, and will be set out in the relevant Final Terms. The Final Terms will be provided to investors and filed with the relevant competent authority for the purposes of the Prospectus Directive (i) when any public offer of Notes or Warrants is made in the EEA as soon as practicable and in advance of the beginning of the offer and (ii) when admission to trading of Notes or Warrants on a regulated marketing in the EEA is sought as soon as practicable and in advance of the beginning of the admission to trading.

Final Terms will (if applicable) specify the nature of the responsibility taken by the Issuer for any information relating to an underlying security, other asset, index, fund, commodity, commodity index or other item(s) to which the Notes or Warrants may relate which is contained in such Final Terms. Notice of the aggregate nominal amount of Notes or number of Warrants, interest (if any) payable in respect of Notes, the issue price of Notes or Warrants and any other terms and conditions not contained herein which are applicable to each Tranche of Notes or each issue of Warrants will be set forth in the final terms (the "Final Terms") for the particular issue.

The Notes of each Tranche will be represented by a permanent bearer global Note which (i) (if the global Note is stated in the applicable Final Terms to be issued in new global note ("NGN") form), will be delivered on or prior to the issue date of the relevant Tranche to a common safekeeper (the "Common Safekeeper") for Euroclear Bank S.A./N.V. ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream, Luxembourg") or (ii) (if the global Note is not issued in NGN form ("Classic Global Notes" or "CGNs")), will be deposited on or prior to the issue date thereof with a common depositary in

Luxembourg or any other common depositary as mentioned in the Final Terms. Definitive Notes will not be issued. In the case of Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A., the circulation of Italian Notes and Italian Certificates will be dematerialised and centralised with Monte Titoli S.p.A., pursuant to the Italian legislative decree no. 213/1998 as amended and all subsequent implementing provisions. See “Form of the Notes” below.

Each issue of Warrants by the Issuer will be represented by a permanent bearer global warrant (each a “Global Warrant”) which will be issued and deposited on or prior to the date of issue of the relevant Warrants with a common depositary in Luxembourg on behalf of Euroclear and Clearstream, Luxembourg or any other common depositary as mentioned in the Final Terms. Definitive Warrants will not be issued.

The Warrants create options exercisable by the relevant holder. Unless otherwise provided for in the Final Terms, there is no obligation upon any holder to exercise his Warrant nor, in the absence of such exercise, any obligation on the Issuer to pay any amount or deliver any asset to any holder of a Warrant. The Warrants will be exercisable in the manner set forth in this Base Prospectus and in the applicable Final Terms.

This Base Prospectus is to be read in conjunction with any supplement and any Final Terms hereto and with all documents which are deemed to be incorporated in it by reference (see “Chapter 1 - Documents Incorporated by Reference”). This Base Prospectus shall be read and construed on the basis that such documents are incorporated into, and form part of, this Base Prospectus.

To the fullest extent permitted by law, none of the Dealers accepts any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by a Dealer or on its behalf in connection with the Issuer or the issue and offering of any Notes or Warrants. Each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement..

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or the Dealer appointed by the Issuer.

Neither this Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by the Issuer, the Guarantor or the Dealer or the Arranger that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Notes or Warrants. Each investor contemplating purchasing any Notes or Warrants should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes or Warrants constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor or the Dealer or the Arranger to any person to subscribe for or to purchase any Notes or Warrants.

Structured securities, including the Warrants and certain of the Notes which may be issued under the Programme, are sophisticated instruments, can involve a high degree of risk and are intended for sale only to those investors capable of understanding the risk entailed in such instruments. Prospective purchasers of the Notes and Warrants should ensure that they understand the nature of the Notes and Warrants and the extent of their exposure to risk and that they understand the nature of the Notes and Warrants as an investment in the light of their own circumstances and financial condition. Prospective purchasers of the Notes or Warrants should conduct their own investigations and, in deciding whether or not to purchase Notes or Warrants, should form their own views of the merits of an investment related to the Notes or Warrants based upon such investigations and not in reliance upon any information given in this Base Prospectus and the applicable Final Terms. In particular, each investor contemplating purchasing any Notes or Warrants should make its own appraisal of any share or index, fund, debt security (including government

bond), currency, commodity or commodity index or other asset to which such Note or Warrant may be linked (including the creditworthiness of the issuer of any share or debt or other security to which such Note or Warrant may be linked). If in doubt potential investors are strongly recommended to consult with their independent financial advisers before making any investment decision.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes or Warrants shall in any circumstances imply that the information contained in it concerning the Issuer or the Guarantor 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. The Dealer does not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Programme. Investors should carefully review and evaluate, *inter alia*, the most recent financial statements of the Issuer and the Guarantor when deciding whether or not to purchase any Notes or Warrants.

Other than in Belgium, Italy and Luxembourg, the Issuer, the Guarantor, the Arranger and the Dealer do not represent that this Base Prospectus may be lawfully distributed, or that Notes or Warrants may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Arranger or the Dealer under the Programme which would permit a public offering of the Notes or Warrants or distribution of this document in any jurisdiction where action for that purpose is required, other than (if so indicated in the relevant Final Terms) in Belgium, Italy and Luxembourg. Accordingly, the Notes and Warrants may not be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction where such offer, sale, distribution and/or publication would be prohibited and the Dealer will be required to represent that all offers and sales by it of Notes and Warrants will be made on these terms.

The Issuer may seek to have an expected issue of Notes or Warrants admitted to trading on Euronext on an “as-if-and-when-issued” basis generally starting three business days preceding the Issue Date until the Issue Date (both the first day of the as-if-and-when-issued-trading and the Issue Date will be specified in the applicable Final Terms). As-if-and-when-issued-trading makes it possible to trade in the Notes or Warrants listed on Euronext before they have been issued. However, prospective investors in Notes or Warrants should not rely on trading on this basis as a commitment by the Issuer to accept an application to subscribe for Notes or Warrants to refrain from withdrawing, cancelling or otherwise modifying an offer of Notes or Warrants.

The distribution of this Base Prospectus and the offer or sale of Notes or Warrants may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Notes or Warrants come must inform themselves about, and observe, any such restrictions. See “Chapter 1 – Subscription and Sale”.

The Notes and the Warrants have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Notes and the Warrants or the accuracy or the adequacy of this Base Prospectus. Any representation to the contrary is a criminal offence in the United States.

The Notes and the Warrants have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any securities regulatory authority of any state or jurisdiction of the United States. The Notes and the Warrants are subject to U.S. tax law requirements.

**The Notes and the Warrants, or interests therein, may not at any time be offered, sold, resold, traded or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a**

**U.S. person.**

This Base Prospectus includes general summaries of Luxembourg, Italian and Belgian tax considerations relating to an investment in the Notes and Warrants. Any potential investor should consult its own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes and/or Warrants issued by the Issuer.

All references in this document to “U.S. dollars”, “dollar”, “U.S.\$”, “\$”, “USD” and “U.S. cent.” refer to the lawful currency of the United States of America, those to “Japanese Yen”, “Yen”, “JPY” and “¥” refer to the lawful currency of Japan, those to “euro”, “EUR” and “€” refer to the lawful currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union, those to “Australian Dollar”, “AUD”, “AU\$” and “A\$” refer to the lawful currency of Australia, and “BRL” refers to the lawful currency of the Federative Republic of Brazil, those to “Canadian Dollar”, “CAD” and “C\$” refer to the lawful currency of Canada, those to “Czech Koruna” and “CZK” refer to the lawful currency of the Czech Republic, those to “Danish Krone”, “DKr” and “DKK” refer to the lawful currency of the Kingdom of Denmark, those to “Hong Kong Dollar”, “HK\$” and “HKD” refer to the lawful currency of Hong Kong, “HK\$” and “HKD” refer to the lawful currency of Hong Kong, those to “New Zealand Dollar”, “NZ\$” and “NZD” refer to the lawful currency of New Zealand, those to “Norwegian Krone”, “Nkr” and “NOK” refer to the lawful currency of the Kingdom of Norway, those to “Singapore Dollar”, “S\$” and “SGD” refer to the lawful currency of the Republic of Singapore, those to “Sterling”, “£”, “GBP” and “STG” refer to the lawful currency of the United Kingdom, those to “Swedish Krona”, “SKr” and “SEK” refer to the lawful currency of the Kingdom of Sweden and those to “Swiss Franc”, “Sfr”, “CHF” and “SWF” refer to the lawful currency of Switzerland.

**In connection with the issue of any Tranche of Notes or Warrants, the Issuer or the Dealer shall not over-allot Notes or Warrants unless otherwise provided in the Final Terms. No stabilisation shall be undertaken, unless otherwise provided in the Final Terms.**

This Base Prospectus includes “forward-looking statements”. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the Issuer’s and Guarantor’s financial position, business strategy, plans and objectives of management for future operations, are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer and the Guarantor, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Issuer’s and Guarantor’s present and future business strategies and the environment in which the Issuer and the Guarantor will operate in the future. These forward-looking statements speak only as of the date of this Base Prospectus or as of such earlier date at which such statements are expressed to be given. The Issuer and the Guarantor expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Issuer’s and Guarantor’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

## **PART 2 - NOTES**

*The following section is qualified in its entirety by the remainder of this Base Prospectus.*

*Where the Notes qualify as notes which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the Electronic Bond Market (“MOT”) or on any other Italian regulated or unregulated market, all references to the “Notes” shall be deemed to be references to Italian bonds (the “Italian Bonds”). References herein to “Italian Bonds” shall be references to any Tranche of Notes designated by the Issuer as “Italian Bonds” in the*

*applicable Final Terms.*

*Where the Notes qualify as “securitised derivatives” (as defined in Article 2.2.19 of the Rules of the Markets Organised and Managed by Borsa Italiana S.p.A.) and/or as “certificates” (as defined in Article 2 Section 1(g) of Consob Regulation No. 11971/1999) to be offered in Italy and/or which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the market for securitised derivative financial instruments (“SeDeX”) or on any other Italian regulated or unregulated market (the SedeX or any other Italian regulated or unregulated market, each an “Italian Market”), all references to “Notes” shall be deemed to be references to Italian certificates (the “Italian Certificates”). References herein to “Italian Certificates” shall be references to any Tranche of Notes designated as “Italian Certificates” in the applicable Final Terms.*

<b>Size</b>	Up to EUR10,000,000,000 (or its equivalent in other currencies calculated as described herein) of Notes and Obligations outstanding at any time. The Issuer may increase the amount of the Programme.
<b>Distribution</b>	Notes may be distributed by way of private or public placement. Notes may be issued directly by the Issuer or through one or more Dealers on a syndicated or non-syndicated basis. The method of distribution of each Tranche will be stated in the applicable Final Terms.
<b>Regulatory Matters</b>	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “Chapter 1 - Subscription and Sale”).
<b>Principal Paying Agent</b>	ING Luxembourg S.A.
<b>Currencies</b>	Subject to any applicable legal or regulatory restrictions, any currency determined by the Issuer and the Dealer (if any).
<b>Maturities</b>	Such maturities as may be determined by the Issuer and the relevant Dealer (if any), subject to such minimum or maximum maturity as may be allowed or required from time to time by its central bank (or regulatory authority) or any laws or regulations applicable to the Issuer, the Guarantor or the relevant Specified Currency.
<b>Issue Price</b>	Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form of Notes</b>	The Notes will be issued in bearer form only. The forms of the Notes are described in further detail in “Chapter 1 - Form of the Notes”.
<b>Initial Delivery of Notes</b>	On or before the issue date for each Tranche of bearer Notes, if the relevant global Note is an NGN, the Global Note will be delivered to a Common Safekeeper for Euroclear and Clearstream, Luxembourg. On or before the issue date for each Tranche of bearer Notes, if the relevant global Note is not an NGN, the global Note may (or, in the case of Notes listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, shall) be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes relating to Notes that are not listed on the Luxembourg Stock Exchange may also be deposited with any other clearing system or may be delivered outside any clearing system. In the case of Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A., the circulation of Certificates will be dematerialised and centralised with Monte Titoli

S.p.A., pursuant to the Italian legislative decree no. 213/1998 as amended and all subsequent implementing provisions. See further detail in Chapter 1 – Form of the Notes” below.

<b>Fixed Rate Notes</b>	Fixed interest will be payable on such date or dates as may be determined by the Issuer and the Dealer (if any) and on redemption, and will be calculated on the basis of such Day Count Fraction as may be determined by the Issuer and the Dealer (if any) (as indicated in the applicable Final Terms).
<b>Floating Rate Notes</b>	<p>Floating Rate Notes will bear interest either at a rate determined:</p> <ul style="list-style-type: none"> <li>(i) on the same basis as the floating rate under a notional interest-rate swap transaction in the relevant Specified Currency governed by 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 of the relevant Series); or</li> <li>(ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service; or</li> <li>(iii) on such other basis as may be determined by the Issuer and the Dealer (if any).</li> </ul> <p>The Margin (if any) relating to such floating rate will be determined by the Issuer and the Dealer (if any) for each Series of Floating Rate Notes.</p>
<b>Dual Currency Notes</b>	Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as the Issuer and the Dealer (if any) may determine (as indicated in the applicable Final Terms).
<b>Other provisions in relation to interest-bearing Notes</b>	Notes may have a maximum interest rate (“Cap”), a minimum interest rate (“Floor”) or both (“Collar”). Interest on Notes in respect of each Interest Period, as determined prior to issue by the Issuer and the Dealer (if any), will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be determined by the Issuer and the Dealer(if any).
<b>Zero Coupon Notes</b>	Zero Coupon Notes will be offered and sold at a discount to their nominal amount or at par and will not bear interest.
<b>Share Linked Notes</b>	Payments in respect of interest (if any) and principal on Share Linked Notes will be calculated by reference to such share(s) and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Share Linked Notes are set out in Part 1 of Chapter 3 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Share Linked Notes will be set out in the relevant Final Terms.
<b>Index Linked Notes</b>	Payments in respect of interest (if any) and principal on Index Linked Notes will be calculated by reference to such index and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Index Linked Notes are set out in Part 1 of Chapter 4 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Index Linked Notes will be set out in the relevant Final Terms.
<b>Credit Linked Notes</b>	Payments of principal and/or interest (if any) in respect of Credit Linked Notes will depend on whether or not a specified “Termination Event” occurs in respect of one or more specified “Reference Entities” and/or the obligations of any of such

Reference Entities. Following the occurrence of a Termination Event, Credit Linked Notes may either be cash settled or settled by delivery of bonds or other qualifying obligations of the defaulted Reference Entity, as indicated in the relevant Final Terms. Drawdowns of this product include: Single Name Credit Linked Notes (where Noteholders take the credit risk of a single named Reference Entity), First-to-Default Credit Linked Notes (where Noteholders take the credit risk of the first to default among a basket of Reference Entities), N<sup>th</sup>-to-Default Credit Linked Notes (where Noteholders take the credit risk of the N<sup>th</sup> to default among a basket of Reference Entities) and Linear Basket Notes (where Noteholders take the credit risk of a basket of Reference Entities, each of them representing a fixed proportion of the Specified Denomination). Other types of Credit Linked Notes may be issued as set out in the relevant Final Terms. The terms and conditions applicable to Credit Linked Notes are set out in Part 1 of Chapter 5 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Credit Linked Notes will be set out in the relevant Final Terms.

<b>Fund Linked Notes</b>	Payments in respect of interest (if any) and principal on Fund Linked Notes will be calculated by reference to such fund or basket of funds and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Fund Linked Notes are set out in Part 1 of Chapter 6 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Fund Linked Notes will be set out in the relevant Final Terms.
<b>Dynamic and Static Portfolio Notes</b>	Dynamic and Static Portfolio Notes establish a notional portfolio comprising one or more of (a) a notional investment in a reference portfolio comprising a single asset or a basket of assets as contemplated by the various Chapters in this Base Prospectus, (b) a notional investment in a deposit portfolio comprising notional fixed income deposits and (c) a notional borrowing represented by a leverage portfolio. Static Portfolio Notes represent fixed investments or allocations between each component portfolio making up the master portfolio. Dynamic Portfolio Notes represent variable investments or allocations between each component portfolio of the master portfolio and contain mechanics for periodic allocation adjustments of the assets of the master portfolio between two or more of the component portfolios. The adjustments may be based on movements in value of the asset(s) comprising the reference portfolio compared to other types of asset, the volatility of such asset(s) or other variables. The terms and conditions applicable to Dynamic and Static Portfolio Notes are set out in Part 1 of Chapter 7 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Dynamic or Static Portfolio Notes will be set out in the relevant Final Terms.
<b>Inflation Linked Notes</b>	Payment of principal and/or interest (if any) in respect of Inflation Linked Notes will be calculated by reference to such inflation index or indices and/or formula(e) or to such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Inflation Linked Notes are set out in Part 1 of Chapter 8 of this Base Prospectus. The specific terms and conditions applicable to a particular issue of Inflation Linked Notes will be set out in the relevant Final Terms.
<b>Exchangeable Notes</b>	Exchangeable Notes provide a right for the Noteholder to exchange the Notes into shares of a third party at a fixed exchange ratio. The terms and conditions applicable to Exchangeable Notes are set out in Part 1 of Chapter 9 of this Base



	Prospectus. The specific terms and conditions applicable to a particular issue of Exchangeable Notes will be set out in the relevant Final Terms.
<b>Commodity Linked Notes</b>	Payments in respect of interest (if any) and principal on Commodity Linked Notes will be calculated by reference to such commodity and/or formula(e) or such other factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Commodity Linked Notes are set out in Part 1 of Chapter 10 of the Base Prospectus. The specific terms and conditions applicable to a particular issue of Commodity Linked Notes will be set out in the relevant Final Terms.
<b>Commodity Index Linked Notes</b>	Payments in respect of interest (if any) and principal on Commodity Index Linked Notes will be calculated by reference to such commodity index and/or formula(e) or other such factors as the Issuer may determine (as indicated in the applicable Final Terms). The terms and conditions applicable to Commodity Index Linked Notes are set out in Part 1 of Chapter 11 of the Base Prospectus. The specific terms and conditions applicable to a particular issue of Commodity Index Linked Notes will be set out in the relevant Final Terms.
<b>Redemption of Notes</b>	<p>The Final Terms relating to each Tranche of Notes will indicate either that the Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or following an Event of Default, or for taxation reasons or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms. See Condition 5 in Part 1 of "Chapter 2 - Medium Term Notes", as applicable, for further details.</p> <p>In addition the Issuer may at any time, by notice to Noteholders, redeem all but not some only of the Notes of any Series for the time being outstanding at their Early Redemption Amount (as defined in the terms and conditions for the particular issue) if, prior to the date of such notice, 90 per cent. or more in principal amount of the Notes of such Series hitherto issued have been redeemed. The Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as indicated in the applicable Final Terms.</p>
<b>Denomination of Notes</b>	Notes will be issued in such denominations as may be determined by the Issuer and the Dealer (if any) and as specified in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by any laws or regulations applicable to the relevant Specified Currency. .
<b>Taxation No Gross-up</b>	The Notes will not contain any provision that would oblige the Issuer to gross-up any amounts payable in respect of interest or principal in the event of any withholding or deduction for or on account of taxes levied in any jurisdiction. The Guarantor will not have any obligation to gross-up any amounts payable pursuant to guarantee in respect of the Notes. The Issuer may also elect to redeem Notes if it would be required, on the occasion of the next payment due in respect of the Notes, to withhold or account for tax in respect of the Notes.
<b>Cross Default</b>	No cross default provision.
<b>Negative Pledge</b>	No negative pledge provision.

<b>Status of the Senior Notes</b>	Unless otherwise specified in the applicable Final Terms, the Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and will rank <i>pari passu</i> among themselves and (subject as aforesaid and save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.
<b>Guarantee relating to the Notes</b>	The Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Issuer under the Notes. Its obligations in that respect are contained in a Declaration of Guarantee (as defined in Chapter 1 of this Base Prospectus).

### PART 3 - WARRANTS

*The following section is qualified in its entirety by the remainder of this Base Prospectus.*

Under the terms of the Programme, the Issuer may from time to time issue Warrants of any kind including, but not limited to, Warrants relating to a specified index or a basket of indices (“Index Warrants”, a specified share or a basket of shares (“Share Warrants”), a specified debt instrument (including a specified government bond) or a basket of debt instruments (including a basket of government bonds) (“Debt Warrants”), a specified currency or a basket of currencies (“Currency Warrants”) or a specified commodity or a basket of commodities (“Commodity Warrants”). Each issue of Warrants will be issued on the terms which are relevant to such Warrants under Part 1 of Chapter 12 “Terms and Conditions of the Warrants” and on such additional terms as will be set out in the applicable Final Terms.

A description of the Final Terms is set out herein in Part 2 of “Chapter 12 - Form of Final Terms for Warrants” and will specify with respect to the issue of Warrants to which it relates, *inter alia*, the specific designation of the Warrants, the aggregate number and type of the Warrants, the date of issue of the Warrants, the issue price, the exercise price, the underlying asset, index or other item(s) to which the Warrants relate, the exercise period or date and certain other terms relating to the offering and sale of the Warrants. The Final Terms relating to an issue of Warrants will be attached to, or endorsed upon, the Global Warrant (as defined below) representing such Warrants. The Final Terms supplement the Conditions of the Warrants and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, supplement, replace or modify the Conditions.

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

Prospective purchasers of Warrants should ensure that they understand the nature of the relevant Warrants and the extent of their exposure to risks and that they consider the suitability of the relevant Warrants as an investment in the light of their own circumstances and financial condition. Warrants involve a high degree of risk, including the risk of their expiring worthless. Potential investors should be prepared to sustain a total loss of the purchase price of their Warrants. See “Chapter 1 — Risk Factors — Part 4 - Risk Factors Relating to Warrants”.

Each issue of Warrants will be represented by a global warrant (each a “Global Warrant”) which will be issued and deposited with a common depositary on behalf of Euroclear and Clearstream, Luxembourg or such other clearing system as may be specified in the Final Terms for an issue.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the Luxembourg Authority for Financial Markets (*Commission de Surveillance du Secteur Financier*), shall be deemed to be incorporated in, and to form part of, this Base Prospectus; this Base Prospectus should be read and construed in conjunction with such documents:

- (a) The booklets containing the audited annual accounts (Comptes Annuels) (including the auditor's report thereon) for the years 2011 (the "Annual Accounts 2011") and certain information on the Issuer, as determined in the table on the Issuer below; and
- (b) The "Annual Report 2011" and "Annual Report 2010" containing the a audited annual consolidated accounts (including the auditor's report thereon) for the years 2011 and 2010 (\*) and certain other information on the Guarantor, as determined in the table on the Guarantor below; and
- (c) the Articles of Association of the Issuer and the Guarantor;

save that any statement contained in a document which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The information incorporated by reference above on the **Issuer** is as follows:

Information incorporated by reference	Reference
<i>Annual Accounts for the year 2011</i>	
Balance Sheet	Annual Accounts 2011 page 3
Income Statement	Annual Accounts 2011 page 4
Accounting Policies and Explanatory Notes	Annual Accounts 2011 pages 5 to 29
Auditor's Report on the Annual Accounts	Annual Accounts 2011 page 1 to 2
<i>Annual Accounts for the year 2010</i>	
Balance Sheet	Annual Accounts 2010 page 3
Income Statement	Annual Accounts 2010 page 4
Accounting Policies and Explanatory Notes	Annual Accounts 2010 pages 5 to 29
Auditor's Report on the Annual Accounts	Annual Accounts 2010 pages 1 and 2

The information incorporated by reference above on the **Guarantor** is as follows (\*):

Information incorporated by reference	Reference
<i>Annual consolidated accounts for the year 2011</i>	
Balance Sheet	Annual Report 2011 page 18
Income Statement	Annual Report 2011 page 19
Cash Flow Statement	Annual Report 2011 pages 20 to 21
Accounting Policies and Explanatory Notes	Annual Report 2011 pages 34 to 45 and 71 to 107
Auditor's Report on the Annual Accounts	Annual Report 2011 page 117 to 123
<i>Annual consolidated accounts for the year 2010</i>	
Balance Sheet	Annual Report 2010 page 18
Income Statement	Annual Report 2010 page 19
Cash Flow Statement	Annual Report 2010 pages 20 to 22
Accounting Policies and Explanatory Notes	Annual Report 2010 pages 31 to 42 (up to 7.7.5) and 63 to 94
Auditor's /Financial on the Annual Accounts	Annual Report 2010 pages 103 to 106

*Other Information on the Guarantor*

Management of risk factors	Annual Report 2011 pages 8 and 42 to 56
Administrative, Management and Supervisory Bodies (**)	Annual Report 2011 pages 14 to 16
Board Practices	Annual Report 2011 pages 10 to 13
Corporate Governance	Annual Report 2011 pages 10 to 13
Share Capital	Annual Report 2011 pages 16

(\*) The Dutch section (Auditor's Report) of the Annual Reports of the Guarantor does not form part of this Base Prospectus. The Dutch section is not relevant for an investor in order to fully comply with article 28.4 of Regulation 809/2004/EC.

(\*\*) For the current composition of the Board of Directors of ING Belgium, please revert to page 80 of this Base Prospectus.

The Issuer and the Guarantor will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon request of such person, a copy of any or all of the documents which or portions of which are incorporated herein by reference. Such documents are available at the registered office of the Issuer, the Guarantor, from the specified office of the Paying Agents and are also made available on the following websites [www.ingstructuredproducts.be](http://www.ingstructuredproducts.be) and [www.ingstructuredproducts.com](http://www.ingstructuredproducts.com). The Issuer will, in the event of a significant new factor, material mistake or inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of any Notes or Warrants prepare a supplement to this Base Prospectus or publish a new Prospectus for use in connection with any subsequent issue of Notes or Warrants to be admitted to trading on an EU regulated market or to be offered to the public in the EU or in Switzerland.

References to certain pages in this section explicitly refer to such documents.

Any information not listed in the cross reference table but included in the documents incorporated by reference is given for information purposes only.

In relation to any issue of Notes and Warrants, the applicable Final Terms should be read in conjunction with this Prospectus.

## NOMINAL AMOUNT OF THE PROGRAMME

This Base Prospectus and any supplement will only be valid for the issue of Notes or Obligations in an aggregate nominal amount which, when added to the aggregate nominal amount then outstanding of all Notes and Obligations previously or simultaneously issued under the Programme does not exceed EUR10,000,000,000 or its equivalent in other currencies. For the purpose of calculating the aggregate amount of Notes issued under the Programme from time to time:

- (a) the euro equivalent of Notes denominated in another Specified Currency (as specified in the applicable Final Terms in relation to the Notes) shall be determined, at the discretion of the Issuer, as of the date of agreement to issue such Notes (the “Agreement Date”) or on the preceding day on which commercial banks and foreign exchange markets are open for business in London, in each case on the basis of the spot rate for the sale of the euro against the purchase of such Specified Currency in the London foreign exchange market quoted by any leading bank selected by the Issuer on such date;
- (b) the amount (or, where applicable, the euro equivalent) of Dual Currency Notes, Partly Paid Notes, Share Linked Notes, Index Linked Notes, Fund Linked Notes, Dynamic and Static Portfolio Notes, Credit Linked Notes, Inflation Linked Notes, Exchangeable Notes, Commodity Linked Note and Commodity Index Linked Notes (each as specified in the applicable Final Terms in relation to the Notes) and Obligations shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the original nominal amount of such Notes or Obligations, as the case may be (in the case of Partly Paid Notes, regardless of the subscription price paid); and
- (c) the amount (or, where applicable, the euro equivalent) of Zero Coupon Notes (as specified in the applicable Final Terms in relation to the Notes) and other Notes issued at a discount or premium shall be calculated (in the case of Notes not denominated in euro, in the manner specified above) by reference to the net proceeds received by the Issuer for the relevant issue.

## FORM OF THE NOTES

Each Tranche of Notes in bearer form will be initially represented by a permanent bearer global Note as indicated in the applicable Final Terms which (i) (if the global Note is stated in the applicable Final Terms to be issued in new global note (“NGN”) form) will be delivered on or prior to the original issue date of the relevant Tranche to the Common Safekeeper for Euroclear and Clearstream, Luxembourg, or (ii) (if the global Note is not issued in NGN form (“Classic Global Notes” or “CGNs”)) will be deposited on or prior to the issue date thereof with a common depositary on behalf of Euroclear and Clearstream, Luxembourg and/or with any other agreed clearing system.

If a Global Note is stated in the applicable Final Terms to be issued in NGN form, it is intended to be eligible collateral for Eurosystem monetary policy and the Global Note will be delivered on or prior to the original issue date of the Tranche to a Common Safekeeper. Depositing the Global Note with the Common Safekeeper 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.

If a Global Note is a CGN, upon the initial deposit of such Global Note with a common depositary for Euroclear and Clearstream, Luxembourg (the “Common Depositary”) and delivery of the relative Global Note to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid. If a Global Note is a NGN, the nominal amount of the Notes shall be the aggregate amount from time to time entered in the records of Euroclear or Clearstream, Luxembourg. The records of such clearing system shall be conclusive evidence of the nominal amount of Notes represented by the Global Note and a statement issued by such clearing system at any time shall be conclusive evidence of the records of the relevant clearing system at that time.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the relevant Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

The applicable Final Terms will specify that a Permanent Bearer Global Note will not be exchangeable into definitive Notes.

Payments of principal and interest (if any) on a permanent bearer global Note will be made through the relevant clearing system(s) (in the case of a permanent bearer global Note in CGN form, payments will be made to its bearer against presentation or surrender (as the case may be) of the permanent bearer global Note, and in the case of a permanent bearer global Note in NGN form, payments will be made to or to the order of the Common Safekeeper) without any requirement for certification. If the permanent bearer global Note is in CGN form, a record of each payment so made will be endorsed on such global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. If the permanent bearer global Note is in NGN form, the Issuer shall procure that details of each payment made shall be entered *pro rata* in the records of the relevant clearing system and, in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Note will be reduced accordingly. Each payment so made will discharge the Issuer’s obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

Any reference in this section “Form of the Notes” to Euroclear and/or Clearstream, Luxembourg shall, whenever the context permits, be deemed to include a reference to any additional or alternative

clearance system approved by the Issuer.

For so long as any of the Notes are represented by a bearer global Note held on behalf of Euroclear and/or Clearstream, Luxembourg, each person who is for the time being shown in the records of Euroclear and/or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall, (i) in respect of the giving of any notice under Condition 5(d) in Chapter 2, Part 1 or (ii) in respect of any Event of Default (as defined in Condition 8 of Chapter 2, Part 1), be entitled to give the notice or make the demand in respect of the nominal amount of such Notes credited to the account of any such person and for such purposes shall be deemed to be a Noteholder. Notes which are represented by a bearer global Note held by a common depositary or Common Safekeeper for Euroclear or Clearstream, Luxembourg will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Where a global Note is an NGN, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, shall be entered in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such Global Note shall be adjusted accordingly.

A Note may be accelerated by the holder thereof in certain circumstances described in “Events of Default” in Chapter 2, Part 1. In such circumstances, where any Note is still represented by a bearer global Note and a holder of such Note so represented and credited to his securities account with Euroclear or Clearstream, Luxembourg gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such bearer global Note, such bearer global Note will become void. At the same time, holders of interests in such bearer global Note credited to their accounts with Euroclear or Clearstream, Luxembourg will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear and Clearstream, Luxembourg, on and subject to the terms of the relevant Global Note.

In case of Notes which have a denomination consisting of €100,000 (or its equivalent) plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of €100,000 respectively (or its equivalent) that are not integral multiples of €100,000 respectively (or its equivalent). So long the relevant clearing system(s) so permit, these Notes will be tradable only in the minimum authorised denomination of €100,000 increased with integral multiples of such a smaller amount.

### **Italian Bonds and Italian Certificates**

Notes designated as “Italian Bonds” and “Italian Certificates” in the applicable Final Terms will be registered in uncertificated book entry form with either an Italian Central Securities Depository, which is expected to be Monte Titoli S.p.A. (“Monte Titoli”), and/or any additional or alternative clearing system(s) pursuant to the rules of such clearing system(s) specified in the applicable Final Terms. Italian Bonds and Italian Certificates registered in Monte Titoli are negotiable instruments and not subject to any restrictions on free negotiability under Italian law.

Payments of principal, interest and/or any other amount payable in respect of the Italian Bonds and Italian Certificates shall be made through Euroclear, Clearstream, Luxembourg and/or any additional or alternative clearing system(s) approved by the Issuer and the Agent or to its order for credits to the accounts of the relevant accountholders of such clearing system(s) in accordance with the rules of the relevant clearing system(s).

In case of Italian Bonds or Italian Certificates, where Monte Titoli is the relevant clearing system, the ownership of the Italian Bonds or Italian Certificates will be transferred in accordance with dematerialised and book-entry securities regulations contained under the Italian Legislative Decree No 58



of 24 February 1998, as amended, and the rules of such clearing system. In this case, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Italian Bonds and/or Italian Certificates (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of such securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by law) be treated for all purposes as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary.

**USE OF PROCEEDS**

Unless specified otherwise in the applicable Final Terms, the net proceeds from each issue of Notes or Warrants will be applied by the Issuer 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.

## ING BELGIUM INTERNATIONAL FINANCE S.A.

Please revert to Chapter I, section “Documents incorporated by reference” for a list of the documents of and information on the Issuer incorporated by reference. References to certain pages in this section explicitly refer to such documents.

### Statutory Auditors

Ernst & Young S.A., 7, rue Gabriel Lippmann, Parc d’Activité Syrdall 2, L-5365 Munsbach, B.P. 780, L- 2017 Luxembourg, Accountants and member of the “Institut des Réviseurs d’Entreprise” in Luxembourg, have audited the financial statements of 2011 and 2010 of the Issuer and have issued unqualified opinions on these financial statements. Such auditors have not resigned, been removed nor failed to be re-appointed during the period covered by the historical financial information.

Their reports are incorporated therein by reference (see Chapter 1 – Documents incorporated by reference”). The auditors’ report on the cash flow statement is included in the form and context in which it appears with the consent of Ernst & Young S.A., who have authorised the contents of this auditors’ report.

### Selected Financial Information

#### *Audited annual financial statements*

<b>Balance sheets (in EUR)</b>	<b>31 December 2011</b>	<b>31 December 2010</b>
<b>Assets</b>	<b>3,930,873,019</b>	<b>4,260,629,358</b>
Fixed assets	3,894,844,570	4,204,593,432
Current assets	36,028,449	56,035,926
<b>Liabilities</b>	<b>3,930,873,019</b>	<b>4,260,629,358</b>
Shareholders’ funds	2,239,323	5,650,135
Provisions for liabilities and charges	258,814	311,883
Debts	3,923,918,284	4,249,078,152
Profit of the year	4,456,598	5,589,188
<b>Profit and loss account (in EUR)</b>	<b>2011</b>	<b>2010</b>
<b>Income</b>	<b>198,646,938</b>	<b>222,264,786</b>
<b>Expenses</b>	<b>193,813,824</b>	<b>216,094,944</b>
<b>Profit before tax</b>	<b>4,833,114</b>	<b>6,169,842</b>
<b>Tax</b>	<b>376,516</b>	<b>580,654</b>
<b>Profit of the year</b>	<b>4,456,598</b>	<b>5,589,188</b>

### Risk Factors

For the risk factors concerning the Issuer, please consult Section “Risk Factor” of Chapter 1.

### Information on the Issuer

#### *History and Development*

ING Belgium International Finance S.A. was incorporated in Luxembourg under the name B.B.L. International Finance S.A. on November 10, 1994 for an unlimited duration in the form of a company limited by shares (“Société Anonyme” - “S.A.”), governed by Luxembourg law. An Extraordinary General Meeting held on March 31, 2003 adopted a resolution to change the name as from that date into ING Belgium International Finance S.A.

**Legal name:** ING Belgium International Finance S.A.

<b>Commercial Name:</b>	ING Belgium International Finance S.A.
<b>Registered office:</b>	52 route d'Esch, L- 1470 Luxembourg, Grand Duchy of Luxembourg; telephone number : 00-352-44.99.2200
<b>Company registration:</b>	Luxembourg company register ( <i>registre de commerce, Luxembourg</i> ) under number B49080
<b>Legal Form:</b>	<i>Société Anonyme</i>
<b>Country of Incorporation:</b>	Grand Duchy of Luxembourg
<b>Date of Incorporation:</b>	10 November 1994
<b>Legislation:</b>	Luxembourg Law

There are no recent events particular to the Issuer which, to a material extent, are relevant to the evaluation of the Issuer's solvency.

### ***Investments***

This information is irrelevant due to the nature and the purpose of the Issuer which does not make investments.

### **Business Overview**

#### ***Principal Activities***

The Issuer was created with the purpose of helping the Guarantor in the financing of its activities. To that end the Issuer provides financing to the Guarantor and more broadly to all entities of the ING Group.

The Issuer issues financial products (e.g. ordinary bonds) and develops and issues financial constructions which might be highly sophisticated (e.g. structured notes). Upon placement with mainly external investors the proceeds are used for funding purposes.

#### ***Principal Markets***

The Issuer issues mainly Notes placed mainly with retail investors in Belgium and in Luxembourg and with institutional investors in South-western Europe (mainly Belgium, Luxembourg, France, Spain, Italy and Switzerland).

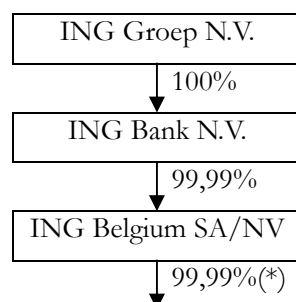
#### ***Competitive Position***

The information is not relevant for the Issuer.

### **Financial & Operational Review**

The balance sheet total amounted to EUR 3,930,873,019 at the closing of the financial year on 31 December 2011 against EUR 4,260,629,358 at 31 December 2010. The net profit for the financial year 2011 amounted to 4,456,598 EUR compared to EUR 5,589,188 for the financial year ending on 31 December 2010. Income amounted to EUR 198,646,938 for the financial year 2011 compared to EUR 222,264,786 for the previous financial year.

### **Organisational Structure**



(\*) 28 shares are in possession of ING Support Holding BV

The Issuer is a 100% subsidiary of the Guarantor that issues Notes upon request of the Guarantor once such Notes are placed with investors.

### **Trend Information**

There has been no material adverse change in the prospects of the Issuer since 31 December 2011.

### **Profit Forecast**

The Board of Directors does not formulate any forecasts for the results of the current financial year, in line with the position drawn up by the Executive Board of ING Group.

### **Board of Directors**

The members of the Board of Directors are Mr Rik Vandenberghe (President), Mr Jean-Philippe Fohal, Mr Benoit van den Hove and Mr Bernard Canivet.

Rik Vandenberghe and Jean-Philippe Fohal are respectively Chairman and Member of the Executive Committee of ING Luxembourg. Bernard Canivet and Benoit van den Hove are respectively Head of Financial Accounting & Management Information and Head of Legal FM Issuance with the Guarantor.

The member of the Board of Directors of the Issuer, elect domicile at the registered office of the Issuer at 52 route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg.

The Issuer confirms that, to the best of its knowledge, at the date of this Prospectus, there are no conflicts of interests, potential or not, between any duties to the Issuer of the persons mentioned above and their private interests and / or other duties.

### **Board Practices**

The Issuer is managed by a Board of Directors. Directors are appointed and may be dismissed by the shareholders in General Meeting. As such the Issuer does not have an audit committee. The Guarantor's audit committee has full authority on the Issuer. The Issuer is fully compliant with the Luxembourg corporate governance rules enacted by the Luxembourg Stock Exchange on 15 September 2009, as amended from time to time.

### **Major Shareholders**

The Issuer's shares are all of one class and in registered form and are all owned, directly or indirectly, by the Guarantor. There are currently no agreement between the Issuer and the Guarantor which might allow abuse from the Guarantor on the Issuer. The lending of subscription moneys by the Issuer to the Guarantor is agreed upon in a global loan agreement whereby each loan will bear interest at a rate fixed at arms' length, including the normal margin agreed upon by the Luxembourg Tax Administration.

There are for the time being no arrangements, known to the Issuer, which might result in a subsequent change of control of the Issuer.

### **Financial Information**

#### ***Historical financial information***

The financial information on the Issuer is prepared according to national Luxembourg accounting standards.

The historical financial information for the years 2011 and 2010 has been audited. See pages 1 and 2 of the Annual Accounts 2011 and 2010.

**Cash flow statements for the financial years 2011 and 2010** *(as reviewed by the auditors)*

<b>(in EUR)</b>	<b>2011</b>	<b>2010</b>
A. Result of the year	4,456,598	5,589,188
Provisions and deferred taxes	-53,069	219,284
Debts with maturity exceeding one year	-	-
- Subordinated debts	-	-
- Debts evidenced by certificates	-285,550,805	-413,418,135
- Premiums on debts	-	-
- Dividends Distributed	-9,000,000	-5,450,000
<b>Movements in Shareholders' funds and Debts with maturity exceeding one year</b>	<b>-290,147,276</b>	<b>-413,059,663</b>
B. Assets and Receivables with maturity exceeding one year		
Assets with maturity exceeding one year		
- Loans and advances to financial institutions	-285,550,805	-413,418,135
- Premium on loans - associated companies	-	-
<b>Movements in fixed assets and in assets with maturity exceeding one year</b>	<b>-285,550,805</b>	<b>-413,418,135</b>
C. Liabilities with maturity not exceeding one year		
- Subordinated debts	-	-
- Debts evidenced by certificates	-24,198,057	-65,395,382
- Premium on debts	-	-
Other	-15,411,006	18,332,661
Accruals and deferred income	-	-
<b>Movements in short-term liabilities</b>	<b>-39,609,063</b>	<b>-47,062,721</b>
D. Assets with maturity not exceeding one year		
- Loans and advances to financial institutions	-39,786,983	-47,431,921
Accruals and deferred charges	-	-
<b>Movements in short-term assets</b>	<b>-39,786,983</b>	<b>-47,431,921</b>
<b>Overall cash balance (A+C)-(B+D)</b>	<b>-4,418,551</b>	<b>727,672</b>
Cash and balances at central banks and post office banks at the beginning of the year	10,724,822	9,997,150
Net cash	-4,418,551	727,672
Cash and balances at central banks and post office banks at the end of the year	6,306,271	10,724,822

## REPORT OF THE AUDITOR ON THE CASH FLOW STATEMENT

To the Board of Directors of  
ING Belgium International Finance S.A.  
Société Anonyme  
Luxembourg

Dear Sirs,

We have reviewed the accompanying Cash Flow Statements of ING Belgium International Finance S.A. (the “Company”) for the year ended 31 December 2011 and 31 December 2010. These Cash Flow Statements are the responsibility of the Company’s management. Our responsibility is to issue a report on these Cash Flow Statements based on our review.

We conducted our review in accordance with the International Standard on Review Engagements. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Cash Flow Statements are free of material misstatement. A review is limited primarily to inquiries of the Company’s personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Cash Flow Statements are not presented fairly, in all material respects.

ERNST & YOUNG  
Société Anonyme  
Cabinet de révision agréé  
Sylvie TESTA  
Luxembourg, 04 May 2012

### ***Financial statements***

Since IBIF has no subsidiaries, it has no consolidated accounts and only company accounts are prepared (see “Selected Financial Information” and “Documents incorporated by reference” above).

### ***Auditing of historical annual financial information***

The historical financial information has been audited (see pages 1 and 2 of the Annual Accounts 2011 and 2010). The cash-flow table above has also been reviewed by the Issuer’s auditors. No other information in this Prospectus has been audited by the Issuer’s auditors.

### ***Age of latest financial information***

The latest financial information is not older than 18 months.

### ***Interim and other financial information***

The Issuer publishes half year financial information in accordance with the Grand Duchy of Luxembourg Law of 11 January 2008 relating to the transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market. Such information is posted on the website [www.ingmarkets.com](http://www.ingmarkets.com) and is accessible to the public on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) under “Regulated Information (OAM)”.

### ***Governmental, legal and arbitration proceedings***

The Issuer is not involved in any litigation, arbitration, administrative or governmental proceeding which relates to claims or amounts which might have significant effects on the Issuer’s financial position or profitability and, so far as the Issuer is aware, no such litigation, arbitration, administrative or governmental proceeding is pending or threatened, nor was the Issuer involved in any such proceedings during the last 12 months.

***Significant change in the Issuer's financial or trading position***

There has been no significant change in the financial or trading position of the Issuer since 31 December 2011.

**Additional Information*****Share Capital***

The Issuer's share capital amounts to EUR 250,000 consisting of 10,000 common shares of EUR 25.

***Articles of Association and Purpose***

The Articles of Association of the Issuer were published in the Mémorial C, Recueil des Sociétés et Associations No. 496 in Luxembourg on 1 December 1994. An Extraordinary General Meeting held on 31 March 2003 adopted a resolution to modify the Issuer's object and purpose.

The object and purpose of the Issuer is to provide financing to the Guarantor and more broadly to all entities of the ING Group (Article 4 of the Articles of Association).

**Material Contracts**

There are no material contracts outside the ordinary course of the Issuer's business, which could result in being under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to the Noteholders in respect of the Notes being issued.

**Third party information and statement by experts and declarations of any interest**

There is no third party information nor statement by experts nor declaration of any interest.

**Documents on Display**

So long as Notes may be issued or are outstanding under the Programme, copies of the following documents are available from the registered office of the Issuer and from the specified office of the Paying Agents:

- (a) the Articles of Association of the Issuer;
- (b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the Programme;
- (c) the historical financial information of the Issuer for each of the two financial years preceding the date of publication of this Prospectus.



## ING BELGIUM SA/NV

Please revert to Chapter I, section “Documents incorporated by reference” for a list of the documents of and information on the Guarantor incorporated by reference (the Dutch section of the Annual/Financial Reports of the Guarantor does not form part of this Base Prospectus). References to certain pages in this section explicitly refer to such documents.

### Statutory Auditors

Ernst & Young Reviseurs d’Entreprises scrl, member of the *"Institut des Reviseurs d'Entreprises"* in Belgium, represented by Marc Van Steenvoort, Partner, for the financial year 2011 has audited the consolidated accounts for the financial years 2011 and 2010 of ING Belgium and has issued unqualified opinions on these financial statements. Such auditors have not resigned, been removed nor failed to be re-appointed during the period covered by the historical financial information. Their reports are incorporated therein by reference (see Chapter 1 – Documents incorporated by reference”).

### Risk Factors

For the risk factors concerning the Guarantor, please consult Section “Risk Factors” of Chapter 1. How the Guarantor manages risks, is described under Risk Management from page 46 to page 64 of the Guarantor’s Annual Report 2011.

### Information about the Guarantor

ING Belgium SA/NV (the “Bank”) was formed under the name Bank Brussels Lambert S.A. through a merger of Banque de Bruxelles and Banque Lambert, which was effected on June 30, 1975 as a further development of the holding companies of the two banks which took place in 1972. An Extraordinary General Meeting held on April 17, 2003 adopted a resolution to change the name into ING Belgium SA/NV as from April 22, 2003.

Banque de Bruxelles was founded in 1871 and during the next 60 years acquired interests in other banks in the main cities in Belgium. By 1931, these banks had been absorbed into a single entity, whose operations included not only traditional banking activities, but the management of an industrial portfolio with interests in Belgium and Africa. Following the Belgian banking reforms of 1934-35, the Bank’s activities were transferred to a new company, bearing the same name, which was formed on January 30, 1935. This achieved the separation of the holding company’s banking activities from its industrial interests, as required by the reforms.

Banque Lambert had its origin in the banking business founded by the Lambert family, active bankers in Belgium since Belgian independence in 1830. Banque Lambert expanded its banking activities rapidly after 1945 by successive mergers with various privately owned banks.

The Bank is a public company with limited liability (Naamloze Vennootschap/Société Anonyme) existing for an unlimited duration under Belgian law. Its registered office is at Avenue Marnixlaan 24, B-1000 Brussels, Belgium.

The Bank is recognised as a credit institution under the provisions of the Law of March 22, 1993 on the status and control of credit institutions.

Since the beginning of 1998, the Bank is a wholly owned subsidiary of ING as defined below.

<b>Legal name:</b>	ING Belgium SA/NV
<b>Commercial Name:</b>	ING

<b>Registered office:</b>	Avenue Marnixlaan 24, B-1000 Brussels, Belgium Switchboard: +32 2 547 21 11; Fax: +32 2 547 38 44 Website: www.ing.be
<b>General postal address:</b>	Cours Saint-Michel 60, B-1040 Brussels
<b>Company registration:</b>	Brussels company register ( <i>registre des personnes morales – rechtspersonen-register</i> ) under number 0403.200.393
<b>Legal Form:</b>	<i>Société Anonyme/Naamloze Vennootschap</i>
<b>Country of Incorporation:</b>	Kingdom of Belgium
<b>Date of Incorporation:</b>	30 January 1935
<b>Legislation applicable:</b>	Belgian Law

There are no recent events particular to the Guarantor which, to a material extent, are relevant to the evaluation of the Guarantor's solvency.

### Business Overview and Geographical break down

The Guarantor is a full subsidiary of ING Group, as defined below, a global financial institution of Dutch origin and is best known as a bank in Belgium. The Guarantor's activities are divided into two business lines: **Retail & Private Banking** and **Commercial Banking**, which report to their respective lines at group level. The business lines are supported by **Operations & IT Banking and Business Support**.

The Guarantor's core businesses are retail & private banking, commercial banking (midcrop, corporate & institutional banking, corporate finance, equity & financial markets). It services all banking customers with a wide range of products and via the distribution channel of their choice (click, call or face).

Within Belgium, the ING companies (including Record Group, ING Life & Non-Life Belgium, ING Lease, ING Commercial Finance BeLux) work together to optimise the integrated distribution of financial products.

On the international scene, the Executive Committee of the Guarantor is in charge of the coordination of the group's local banking & leasing operations in Belgium and Luxembourg.

### Business overview

The Guarantor successfully changed its positioning in the mass retail market to a universal direct bank, a strategic change that also fully tuned into customers' wishes for simplicity and easiness. We are the only bank in Belgium, combining a strong network of branches (proximity) with a clear online sales offer.

In the future, the Guarantor will amplify the universal direct bank model aligning with customer trends, achieve operational excellence by sharply increasing investments in IT and processes and invest in human resources to become the employer of choice.

The Guarantor's activities are divided into two business lines: *Retail Banking and Commercial Banking*, which report to their respective lines at group level. The business lines are supported by *IT Banking, Business Support and Products & Operations* (as from January 2012). The latter is a new department, created to develop products meeting the needs of all our clients, supported by efficient end-to-end processes, increase customer centricity and to focus on operational excellence.

The Guarantor's management structure reflects its key customer basis.

The *department Retail & Private Banking* serves

- **Retail customers:** customers with assets less than EUR 1 million;
- **Private banking customers:** individuals with assets of more than EUR 1 million
- **Small enterprises:** the self-employed, professionals and small firms with a turnover of less than EUR 4 million;

The department *Commercial Banking* serves

- **Medium-sized enterprises:** companies with a turnover from EUR 4 million to EUR 250 million;
- **Institutionals:** governments, hospitals, educational institutions, trade unions and pension funds;
- **Large corporates:** listed companies and companies with a consolidated turnover in excess of EUR 250 million;
- **Financial institutions:** includes banks and other financial institutions, insurance companies, pension funds, investment funds, and the like.

The Executive Committee of the Guarantor is in charge of the coordination of ING's operations in Belgium and Luxembourg. Ralph Hamers is the Chief Executive Officer.

## **(I) Retail banking**

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### **(a) Structure**

The Guarantor groups Retail and Private Banking together in the same business line.

Retail Banking comprises all services for retail customers, the self-employed professionals, and SME with an annual turnover of less than EUR 4 million. The investment needs of individuals with assets of more than EUR 1 million are served by Private Banking.

Products and services offered entail savings, payments, lending and insurance.

The following departments or businesses report into Retail Banking: Retail Sales (Branches), Direct Channels, Marketing, Private Banking and Record Group, ING's second Belgian retail banking network, a 100 % subsidiary of the Guarantor.

### **(b) Commercial Strategy**

The Guarantor consistently implements a multichannel distribution strategy. Alongside the branch network, direct banking channels offer customers the opportunity to optimise day-to-day account management, execute their main banking transactions and purchase simple products. Consequently, the traditional branches can focus their attention on providing personal advice.

The Guarantor successfully changed its positioning in the mass retail market to a universal direct bank, combining a strong network of branches with a clear online sales offer.

Therefore it,

- introduced the Internet – which previously was predominantly focused on facilitating banking transactions - as a fully-pledged sales channel, operating next to the traditional branch network;
- invested and integrated the various banking channels in Belgium (internet banking, call centre capabilities and branches);
- started an important transformation of the branches in its network of Proxi-branches and Full Service branches. Proxi-branch, a concept, developed by the Guarantor, refers to proximity. Its purpose is to literally remove the barrier between bank and customer. Proxis have an open design, without security glass or cashiers. They offer a fully automated cash function where as Full Service branches offer the full range of banking services, including cash functions.
- Integrated the marketing department in its organisation as an important tool to increase the sale of products. The right communication, distribution, price setting and product development determine the success of campaigns.

Direct banking is part of an integrated sales approach that allows customers to choose, at any time, the channel that best matches their needs.

With this transformation, which started in 2008, the Guarantor stays fully aligned to changing

customer behaviour.

In 2011, the Guarantor continued this strategic development, reinforcing its status as first universal direct bank in Belgium. It continually adapts and expands its offer with new, innovating (online) banking products and services, which allows the customer to bank where, when he wishes and through his preferred channel.

(c) **Achievements**

The bank continued the transformation of its traditional branches to 'proximity' outlets (proxi-branches) with self-service cash facilities and online banking access.

- 455 branches were converted into proxi
- Transformation of full-service branches to new full-service branches to increase its commercial capabilities. A pilot was launched and by the end of the year, the 7th new full-service pilot branch was opened.

- Direct link of customers' e-ID to ING database

Successful launch of first mobile banking application, MyING.be

- available through the Apple app store
- allows to check balance, latest account overview and credit-card transactions
- allows to make online transfers to trusted accounts
- allows to make an appointment in a branch of choice
- more than 31.000 active users
- 4-star user rating: best rated of all free financial apps

Successful launch of new ing.be website

- supporting the rapidly increasing direct sales of simple products
- allows easier monitoring, analysing and adapting to the behaviour of its customers

Home'Bank: existing functionalities were improved and new functionalities introduced to optimise customer convenience, such as a new account overview page and a payment basket

- Over 1.2 million customers use Home'Bank
- National roll out of the ING Card Reader to enhance security

Successful launch of new online products

- ING Lion Assistance
- ING Lion Travel Stop

Present on Facebook with 'minute orange' concept, providing tips & tricks and information about its products. Purpose: develop a real community around the colour orange

Successful Marketing campaigns:

- More than 750 campaigns in 2011, all clients contacted minimum once
- New brand positioning – Touch point analysis
- Philippe Wallez advertiser of the year

Increasing market share in savings, driven by the savings product Orange Book: only large Belgian bank with net inflow of savings in 2011.

Net Promoter Score, embraced in 2009, has become fully embedded in processes to measure

customer satisfaction.

**(d) Private Banking**

Private Banking is a service targeted at high net worth individuals with invested assets exceeding EUR 1 million.

In terms of organization, ING Private Banking Belgium is part of Retail banking and closely aligned to Commercial Banking, allowing it to capitalise on numerous synergy opportunities with the retail and especially with the business divisions. High net worth customers are often found in medium-sized and family-run businesses.

In 2011, ING Private Banking did a complete business review. Focussing more than ever on its clients needs and offering a complete range of products and services, ING Private Banking remains a top three player on the High Net Worth Individual Market (HNWI, with investable assets of more than EUR 1 million) with continuous net inflow. Despite difficult market circumstances, ING Private Banking is one of the few private banks that was able to increase net assets.

**(e) Record Bank**

A. Structure

Record Group is a subsidiary of the Guarantor.

Record Bank was set up in 2001. It took over Westkrediet in 2002, AGF Belgium Bank in 2003, Mercator Bank in 2004 and Eural in 2005.

As a retail bank, Record Bank targets personal customers, the self-employed, professionals, and family-run businesses. It offers a range of savings, investment, credit, and (a limited number of) insurance products. Consumer loans, mortgages and business credit facilities are distributed via its banking agents and via other channels such as credit brokers and "vendors".

Record Bank has 850,000 clients.

Record Bank has a network van ca 1,500 independent agents, credit brokers and vendors.

Record is the fourth savings bank.

In terms of production in consumer loans, Record Bank ranks 3<sup>rd</sup> in Belgium. As for mortgage loans, Record Bank ranks 5<sup>th</sup>.

In 2011, Record's independent agents network generated a growth of 9% in deposit volumes, compared to 2010. Regarding credit production, Record's credit distribution channels generated an increase of about 25% compared to 2010. Record continues to be an important contributor to the Guarantor's overall profitability.

Besides the bank, Record Group also includes:

- Record Credit Services (RCS), specialised in consumer loans portfolio management; most of the loans originate from Record Bank. End 2010, RCS concluded an agreement with BNP Paribas Personal Finance Belgium. Consumer loans originated by the latter will be taken on the books of RCS. Production started in January 2011. A similar agreement, signed with Krefima, started in May 2011.
- Fiducré. This subsidiary of Record Bank specialises in debt recovery for own and third-party account.

B. Strategy

As a retail bank, Record Bank targets personal customers, the self-employed, professionals, and family-run businesses. It offers a range of savings, investment, credit, and (a limited number of) insurance products. Consumer loans, mortgages and business credit facilities are distributed via its banking agents and via other channels such as credit brokers and "vendors" and via partnerships with other financial institutions.

Record Bank continues to expand as a result of organic growth and acquisitions.

### C. Achievements

Record Bank, the 3rd largest retail savings bank in the country, has close to 80.000 customers. Its strength is the personal approach by its 1500-strong network of independent agents, credit brokers and vendors. In 2011, Record's independent agents' network generated a 9% growth in deposit volumes compared to 2010. Regarding credit production, Record's credit distribution channels generated an increase of about 25% versus 2010.

## **(II) Commercial banking**

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### **(a) Structure**

Midcorporate & Institutional clients covers the commercial activities for medium-sized companies with a turnover between EUR 4 million and EUR 250 million, as well as institutional organisations (non profit sector). The bank's aim, as regards this market, is to become the leading bank servicing medium-sized companies and to stand out as the "preferred banker" among institutional organisations. The business line's client focus is the local larger family businesses and the public and non-profit sector. The Midcorporate and Institutional clients network consists of four regions, divided into 16 local business centres and desks. Its service model of relationship managers operates from these business centres and desks, all of which are working in close relation with the local retail branch offices and their regional managers. This local embedding through the business centres/desks and the retail branches and the unique cooperation between them contributes substantially to the success of this business line.

Corporate Clients serves stocklisted corporates in Belgium and Luxembourg or affiliates of stocklisted companies and/or have a consolidated turnover of more than EUR 250 million. ING offers them a full range of financial products and services. This responsibility refers not only to the relationship between the Guarantor and such companies, but also to their international dealings with all ING Group entities.

The commercial objective is to enhance client relationships, bolster the customer base, improve cross-selling and ultimately, increase revenues and profits.

The sales organisation is organised in 8 industrial sectors allowing to offer an in-depth sector and client knowledge. The relationship managers are assisted by dedicated account managers of the Corporate Branch for operational issues as well as Products Specialists. Account Management has been centralized physically in the same location to ensure an integrated sales & service model for our clients. Purpose is to be considered as a trusted and experienced advisor and to provide flawless execution.

Financial Institutions serves traditional banks and savings banks. Alongside these it also provides services to insurance companies, brokerage firms, investment banks, leasing and factoring companies, investment funds and fund managers, international and supranational organisations.

It is integrated in a common platform, alongside its counterpart in ING Bank Nederland. Its area of jurisdiction covers BeLux, Continental Western Europe (Commercial banking activities in France, Italy, Spain, Portugal, Switzerland and Germany) and Africa.

Corporate Finance provides M&A Advisory (M&A) and Equity Capital Markets (ECM) services to corporate and institutional clients. They also act as a principal through minority equity participations in companies.

Equity Markets provides sales, trading and research services to clients in all major European centres and in the US. It covers Western Europe (WEE) and Eastern Europe, the Middle East & Africa (EMEA). The WEE activity is organised on a sector basis with regard to Pan-European equities with a strong focus on the Benelux region. It has sales, analysts and traders in Amsterdam - Brussels – London - Edinburgh - New York. One of its prime objectives is to consolidate its leading equities franchise in the Benelux primary and secondary markets.

Financial Markets (FM) handles the sale and trading of financial products. It is responsible for promoting a range of financial market products that meet customers' needs. The FM division also oversees

the bank's liquidity and balance sheet management policy as decided by the Executive Committee. It also takes care of proprietary positioning strategies. FM has always been a substantial contributor to the bank's results. Within ING Group, the FM division in Brussels is recognised as the expertise centre for equity, interest rate and structured credit derivative trading with an emphasis on product development.

**(b) Strategy**

Commercial Banking meets the banking needs of ING's corporate and institutional clients. Its primary focus remains in the Benelux and in certain Central and Financial Markets platforms. It offers core banking services such as lending treasury and payments & cash management to midcorporate, institutional and corporate clients. It also provides clients with tailored banking solutions in areas including Corporate Finance, Equity Markets, Capital Markets, Structured Finance, etc.

The mission of Commercial Banking is to excel in delivering value-added financial solutions to its clients, while delivering more predictable returns for ING Group, through a full service offering in our home markets and focused offering worldwide.

**(c) Achievements**

In 2011 Commercial Banking performed well. Commercial Banking also continued to progress balance sheet optimisation, combining businesses and balance sheets across regions and more efficiently managing its resources in relation to solvency, liquidity and funding. A difficult economic and financial environment combined with increasing regulatory oversight has brought many challenges. A tight control over costs and risks and increased capital discipline remains key.

For Mid-Corporates the first half of 2011 was again marked by a steady inflow of new clients and robust growth in both deposit and lending volumes (the latter notably due to the Oxygen Campaign, an 'Automatic Credit Offer' campaign to the SME's and Large Companies). At the same time, ING became market leader in solar lease.

In Commercial Banking, the lending portfolio grew 11% year-on-year. A growth directly linked to large deals. ING played a key role in every major corporate transaction over the reporting period (Aperam, Nyrstar, SGG, Tessenderlo Group, VOLVO, Sanoma, TNT, UCB,...). ING has assisted in the sale of shares of Group Raman to Verhaeren Holding and closed the funding of the acquisition of Pranarom by a private equity: Vendis.

ING's leading position in this segment was confirmed by several league tables, including #1 Merger & Acquisition Advisor in the Benelux by volume, #1 bookrunner in Debt Capital Markets in Belgium by volume and Best Equity House for the Benelux (Extel award 2011) and last but not least Best Arranger of Benelux Loans by EuroWeek. The pre-tax result was EUR 293 million.

### **(III) Products and Operations**

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On 1st March 2011, the Guarantor regrouped all Retail and Commercial Banking products in a unique Products & Operations department. By aligning processes and automating operational and administrative tasks, the Guarantor is committed to optimise the quality of customer service. This initiative will be accompanied by specific IT investments.

**(a) Structure**

The department is divided into six value chains: 1. Accounts, Payments & Savings, 2. Investments & Securities, 3. Lending & Insurance, 4. Local Structured Finance, 5. Structured Securitised Finance, 6. Lease & Commercial Finance. Each of these value chains develops products for as well Retail customers as Corporate customers. Former independent entities such as ING Lease and ING Commercial Finance Belux are now integrated; furthermore Products & Operations works in close cooperation with other entities in Belgium such as ING Investment Management, ING Life and ING Non life, ING Real Estate development,

ING Real Estate Investment Management and ING Car Lease.

(b) **Main Products:**

*Accounts, Payments & Savings*

- Covers a broad range of products from current-, savings-, long term accounts, cards (debit - and credit cards) and payments. It also includes payments, cash pooling and liquidity management. Thanks to its longstanding experience in this area and its broad network covering 28 countries in Europe (including Turkey and the Nordic countries through the SEB alliance), ING is amongst the top banks in Europe in PCM. In Belgium, ING is market leader, in particular in the area of cross-border cash pooling, payment factories and SEPA payments.

*Lending & Insurance*

- Includes the development of mortgages, professional and consumer loans for retail customers as well as life and non-life insurance products. Lending for Corporate clients, provides the core credit instruments to finance our clients' working capital requirements and investments. The corporate lending product range covers standardized solutions as well as tailor-made solutions. It includes four main sets of credit facilities (overdraft facilities, term loans, revolving loans and bank guarantees) each answering different clients needs.

*Investments & Securities*

- Creates and develops investment products for retail customers such as Insurance Investments Products, pensions and savings plans, structured products and bonds. It also develops services for the administration and follow up of equities.

*Local Structured Finance*

- **Trade Finance Services** ("TFS") specializes in the settlement, risk mitigation and financing of international trade finance transactions. The TFS Corporate Sales team in Belgium offers clients an integrated service and one point of contact across the borders. The TFS team focuses both on mid-sized and large corporate clients. The team employs sales representatives throughout Belgium to better serve its clients.
- **Project Finance** provides clients with long-term, limited-recourse financing solutions tailored around selected asset classes (including real estate in Belgium). These assets typically generate predictable (and often regulated) cash flow streams over time based on pre-agreed contractual arrangements entered by a client and a third party (e.g. public authority, corporate) which can be leveraged by banks.

*Structured Securitised Finance ("SSF")*

- This value chain provides clients with secured remote funding solutions using securitisation techniques applied to diversified pools of assets. A variety of asset classes can be used in SSF transactions: trade receivables, mortgages, consumer loans, credit card receivables, auto loans and leases. SSF also provides its clients with structuring capacity for securitization transactions to be placed with external investors in Capital Markets.

*Lease & Commercial Finance.*



- **ING Lease** serves its customers within the different business units dedicated to general leasing (wheels, equipment, real estate leasing, vendor and computer leasing). Although it uses three distribution channels to market its leasing schemes, 80% of its turnover is sourced on behalf of the Guarantor.
- **ING Car Lease another ING company in Belgium**, was sold on 8 July 2011 to BMW Group fleet management division Alphabet.
- **ING Commercial Finance Belux** (“ICF”) bridges the treasury gap of companies between invoice issuance and payment by the final customers. It focuses on Belgium and Luxembourg, but it also relies on its sister companies within ING Group. In Belgium, ING Commercial Finance works very closely with the Guarantor and its distribution network.
- **Commercial Finance** focuses on: receivables financing; credit management; legal debt collection and credit insurance (take-over of the debtor risk).
- **Both leasing and commercial finance** are serving Commercial Banking clients and are specialized in asset-based lending, i.e. the granting of credit to businesses to finance specific assets which immediately form the main cover for the credit risk.

Since 1 April 2011, ING Lease Belgium's shares have been transferred from ING Lease Holding to the Guarantor. As a result, ING Lease Belgium (ILB) will use more of the Bank's leverage and distribution channels to promote leasing and factoring activities in order to strengthen its position on the Belgian market. ING Lease Holding will continue to play a role in operations management and in processing cross-border transactions. However, ILB and its subsidiary ING Commercial Finance do remain two separate entities from a legal point of view. The commercial policy and strategy of both ILB and ICF have always been in line with the Bank's. Furthermore, their objectives are identical: to reach ambitious volumes with sufficient profitability to improve our position on the market.

#### (c) Strategy

Products and Operations installs end-to-end responsibility and accountability. The department aims to maintain good collaboration with the segments and is focused on increased customer centricity. Their target is to focus on operational excellence by streamlining processes, raising predictability and reducing error margins. The mission of Products and Operations is “To develop products meeting the needs of all our clients, supported by efficient end-to-end processes”.

#### (d) Achievements

Since the birth of the department on 31 March of 2011, quite some advance has been made in the organisation:

- The Management Team and high level organisation is in place
- The 1st of April a share transfer from ING Lease Belgium was realised
- The lift and shift from product management as well from Retail as from Commercial Banking has been realised.

### **(IV) Other entities of ING in Belgium**

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#### **(a) Asset management: ING Investment Management (ING IM)**

##### A. Structure

ING IM is affiliated with ING Insurance. With over 3,300 employees and an investment presence in 33 countries across the Americas, Asia-Pacific, Europe and the Middle East, it provides its clients with access to domestic, regional and global investment solutions.

Due to measures required by the European Commissions (EC), ING Group is working towards a full separation of the Banking and Insurance/IM businesses by the end of 2013.

This means that operational disentanglement of US and EurAsia Insurance/IM was finalised at the end of 2011.\*

ING will continue preparations for a standalone future of the European Insurance/IM Business, including the possibility of an IPO.

### B. Strategy

ING IM is committed to investing responsibly and delivering client-oriented investment solutions and advisory services across asset classes, geographies and styles. They serve a variety of institutional clients, including public, corporate and union retirement plans, endowments and foundations, and insurance companies, as well as individual investors via distribution partners such as banks, broker/dealers and independent financial advisers.

ING IM Belgium offers its customers an extensive range of funds that regularly sees the addition of innovative products that meet the needs of customers and have been tuned to market circumstances. We also offer our customers ongoing portfolio monitoring, involving regular customer contact, reporting, publications, etc.

### C. Achievements

ING Investment Management has approximately € 322\* billion assets under management. Worldwide, over 2,800 professionals watch over our clients' money.

In 2011 ING IM won several awards for its funds. Amongst others: ING (L) Invest US High Dividend: De Standaard & La Libre (Morningstar) award for the best US Large Caps equity fund and with ING (L) Invest European Real Estate: 6 Lipper awards for the best performing European Real Estate fund

For the Guarantor, ING IM manages about EUR 1 billion in dedicated Personal Banking funds. ING IM also commercializes several funds with the highest 5-star Morningstar rating (e.g. ING (L) Invest Global Opportunities, ING (L) Invest Global Real Estate and ING (L) Invest Europe Opportunities; data as of 30/06/2011).

The assets managed by ING IM Belgium in these investment solutions are worth in excess of € 25 billion (correct at October 2010).

### **(b ) Real Estate: ING Real Estate Investment**

On 15 February of 2011, ING announced the sale of the majority of its ING Real Estate Investment Management business (ING REIM) to CB Richard Ellis Group. ING Real Estate development, formerly a part of ING Real Estate Investment Management was sold end 2010 to Wereldhave).

### (c) ING Car Lease

ING Car Lease is active in the operational leasing of company cars. The prime objective is to relieve the client from having to manage his car fleet. ING Car Lease is complying with the increasingly stringent requirements currently imposed in terms of environment and traffic mobility.

In the first 6 months of 2011 the operational car lease market experienced a slight grow of 0,5%, while the ING Car Lease fleet increased up to 27.072 units, i.e. + 3,6% compared to December 2010. With more than 27,000 vehicles and 2,500 customers, ING Car Lease Belgium ranks fourth in the highly competitive Belgian market.

On 8 July 2011, ING announced that it had reached an agreement to sell ING Car Lease to BMW Group fleet management division Alphabet. On 30 September 2011, the sale of ING's Car Lease activities to BMW was completed.

### D. Achievements

A strong commercial performance, credit risks well under control despite tough economic situation, a low cost income ratio at 32% thanks to controlled cost base, and good income development, gave a Profit before tax result of EUR 215 million. The Trade & Commodity Finance activity in Switzerland continued to report strong results on the back of higher business volumes as well as high oil and commodity prices. Meanwhile, France and Spain remained important contributors to ING's commercial banking international network.

### Geographical break down : CWE

Since 2009 the activities of Commercial banking France, Italy, Portugal, Spain and Switzerland are assembled under Central Western Europe or CWE.

The table below gives an overview of these countries and the services ING currently offers there.

	BANKING					INSURANCE		LEASING			REAL ESTATE*		
	Retail Banking	Private Banking	MidCorp	Commercial Banking	ING Direct*	Life	Non-Life	General Lease	Car Lease	Commercial Finance	RE Development	RE Finance	RE Investment Management
<b>ING BeLux</b>													
Belgium	x	x	x	x		x	x	x	x	x	x*		x*
Luxembourg	x	x	x	x		x		x	x	x			

**ING Central Western Europe (ECW) Countries - Commercial Banking only**

France	x	x*		x	x	x	x*	x*	x*
Italy	x	x*							
Portugal	x								
Spain	x	x*		x	x		x*	x*	x*
Switzerland	x								

\* not included in ING Belgium Reporting Scope

### Management of the Guarantor (Board of Directors)

Eric Boyer de la Giroday, Chairman of the Board of Directors  
 Ralph Hamers, Chief Executive Officer  
 Guy Beniada, Managing Director  
 Michael Jonker, Managing Director  
 Philippe Masset, Managing Director  
 Colette Dierick, Managing Director  
 Frank Stockx, Managing Director  
 Arnaud Laviolette, Managing Director  
 Baron Luc Bertrand, Chairman of the Executive Board, Ackermans & van Haaren  
 Baron Philippe de Buck van Overstraeten, Director General Business Europe  
 Philippe Delaunois, Chairman of the Board of Directors, CFE (\*),  
 Count Diego du Monceau de Bergendal, Managing Director, Rainyve  
 Hans van der Noordaa, CEO Retail Banking Benelux ING Group  
 Philippe van de Vyvere, Managing Director, Sea Invest Group  
 Michèle Sioen, CEO Sioen Industries

(\*)At its general meeting on 25 April 2012 the Board of Directors of ING Belgium decided to appoint Christian Jourquin as independent director. This former CEO of the chemical company Solvay succeeds Philippe Delaunois, who ended his term as Chairman of the Board of Directors of ING Belgium on 11 May 2012.

### Key figures (Consolidated as of 31/12/2011)

#### Income Statement

<b>Consolidated Income Statement IFRS</b>		
In EUR millions	FY2011	FY 2010
Total income	3,073	3.236
Total operating expenses	-1,852	-1.799
<b>Result before risk costs</b>	<b>1,222</b>	<b>1.437</b>
Total loan loss provisions	-150	-168
<b>Result after loan loss provisions</b>	<b>1,072</b>	<b>1.269</b>
Group overhead	-26	-26
<b>Profit before tax</b>	<b>1,045</b>	<b>1.243</b>
Taxation	-181	-199
Third party interest	-	7
<b>Profit after tax</b>	<b>864</b>	<b>1.050</b>

#### Balance Sheet

<b>Liabilities &amp; Equity</b>		
In EUR millions	FY2011	FY 2010
Due to banks	20,092	18.511
Due to customers	88,438	85.066
Financial liabilities at fair value through P&L	42,478	33.040
Liabilities held for sale	-	-

Other liabilities	8,126	8.728
Shareholders' equity	10,015	10.295
Capital and reserves	8,962	9.054
Result of the year	864	1.050
Dividend	-	-
Subordinated debts	189	192
<b>Total Liabilities &amp; Equity</b>	<b>169,149</b>	<b>155.639</b>

#### **Equity & Liabilities – Due to customers**

In EUR millions	FY2011	FY 2010
Savings accounts	35,831	33.512
Customer accounts	34,824	38.190
Corporate time deposits	11,051	7.426
Debt securities	5,983	5.938
<b>Repo's</b>	<b>749</b>	<b>-</b>
<b>Total Due to customers</b>	<b>88,438</b>	<b>85.066</b>

#### **Assets**

In EUR millions	FY2011	FY 2010
Banks	23,233	24.032
Loans and advances	76,108	66.062
Investment securities	20,875	22.052
Financial assets at fair value through P&L	37,590	32.372
Assets held for sale	-	-
Other assets	11,343	11.120
<b>Total Assets</b>	<b>169,149</b>	<b>155.639</b>

#### **Loans and Advances**

In EUR millions	FY2011	FY 2010
Straight loans + rollover	39,151	35.165
Lease	2,972	-
Reverse repo's	-	-
Mortgage loans	28,310	25.578
Overdrafts	5,965	5.802
Other loans	344	104
- Loan loss provision	-634	-587
<b>Total Loans and Advances</b>	<b>76,108</b>	<b>66.062</b>

#### **Parent Company**

ING Bank is part of ING Groep N.V. (ING Group). ING Group is the holding company for a broad spectrum of companies (together ING), offering banking, investments, life insurance and retirement services to meet the needs of a broad customer base. Based on market capitalisation, ING Group is one of the 20 largest financial institutions in Europe (source: MSCI, Bloomberg, 31 December 2011). ING Group is a listed company and holds all shares of ING Bank, which is a non-listed 100% subsidiary of ING Group. ING is in the process of separating its banking and insurance operations (including its investment management operations) and developing towards a mid-sized international Bank, anchored in the Netherlands and Belgium, and predominantly focused on the European retail market with selected growth options elsewhere. ING Group is also moving forward with its plans to divest its insurance operations (including its investment management operations) over the following two years. ING Group conducts its banking operations principally through the Issuer and its insurance operations (including its investment management operations) principally through ING Verzekeringen N.V. and its subsidiaries.

In 2010, ING Bank introduced a new reporting structure reflecting two main business lines: Retail Banking and Commercial Banking. Under this structure, ING Direct is included within Retail Banking. This reporting structure has been applied in respect of the Issuer's Annual Report for the years ended 31 December 2011, 2010 and 2009 was restated to provide comparable information.

ING Bank is a large international player with an extensive global network in over 40 countries. It has leading banking in its home markets of The Netherlands, Belgium, Luxembourg, Germany and Poland. Furthermore ING Bank has key positions in other Western Central and Eastern European countries and Turkey. This is coupled with options outside Europe which will give ING Bank interesting growth potential in the long term. Since 1 January 2011, ING Bank has been operating as a stand-alone business under the umbrella of ING Group.

With more than 70,000 employees, ING Bank is active through the following business lines: Retail Banking, including ING Direct, and Commercial Banking.

Retail Banking provides retail and private banking services to individuals and small and medium-sized enterprises in The Netherlands, Belgium, Luxembourg, Poland, Romania, Turkey, India, Thailand and China (through a stake in Bank of Beijing) with a multi-product, multi-channel distribution approach. In mature markets, Retail Banking focuses on wealth accumulation, savings and mortgages, with an emphasis on operational excellence, cost leadership and customer satisfaction. In developing markets, Retail Banking aims to become a prominent local player by offering simple but high quality products. ING Direct offers direct banking services in Canada, Spain, Australia, France, Italy, Germany, the United Kingdom and Austria. ING completed its divestment of ING Direct USA on 17 February 2012. ING Direct's focus is on offering five simple and transparent retail banking products at very low cost: savings, mortgages, payment accounts, investment products and consumer lending. Recently, ING Group has announced that it has reached an agreement to sell ING Direct USA to Capital One Financial Corporation, a leading US-based financial holding company. The divestment is part of the Restructuring Plan.

Commercial Banking offers core banking services such as lending, payments and cash management in more than 40 countries. It provides clients with tailored solutions in areas including structured finance, financial markets, commercial finance, corporate finance and equity markets. Clients are corporations – ranging from medium-sized and large companies to major multinationals – as well as governments and financial institutions.

### **Organisational Structure**

A brief description of the ING Group and the Guarantor's position inside the ING Group can be found above under Parent Company and under ING Belgium International Finance S.A. 'Organisational Structure'.

### **Trend Information**

There has been no material adverse change in the prospects of the Guarantor since 31 December 2011.

### **Profit Forecasts or Estimates**

The Board of directors does not formulate any forecasts for the results for the period under review, in line with the position drawn up by the Executive Board of ING Group.

### **Administrative, Management and Supervisory Bodies**

#### ***Members of the administrative, management and supervisory bodies***

Information on the administrative, management and supervisory bodies of the Guarantor can be found in the Guarantor's Annual Report 2011 pages 14 and following.

All members of these bodies have elected domicile at the registered office of the Guarantor, Avenue Marnixlaan 24 at B-1000 Brussels for the purpose of their functions within the Guarantor.

#### ***Potential conflicts of interest***

The Guarantor confirms that, to the best of its knowledge, at the date of this Prospectus, there are no conflicts of interests, potential or not, between any duties to the Guarantor of the persons referred to in the Guarantor's Annual Report 2011 pages 15 and following and their private interests and/or other duties.

**Board Practices***Audit Committee*

The Board of directors has set up, from among its members, an Audit Committee. See page 10 and 13 of the Guarantor's Annual Report 2011.

*Corporate governance*

See 'ING Belgium SA and the rules of corporate governance' on pages 10 to 14 of the Guarantor's Annual Report 2011.

**Major Shareholders**

There are for the time being, no arrangements known to the Guarantor, which might result in a subsequent change of control of the Guarantor.

**Financial Information***Historical financial information*

The audited consolidated accounts 2011 are prepared according to International Financial Reporting Standards (IFRS), and are to be found in the Guarantor's Annual Report 2011 as from page 18.

*Financial statements*

The consolidated financial statements 2011 are included in the Guarantor's Annual Report 2011 as from page 18.

*Auditing of historical annual financial information*

The historical financial information for the years 2011 and 2010 has been audited.

For the year 2011 see pages 117 and following of the Guarantor's Annual Report 2011 for the auditor's report on the consolidated accounts.

No other information in this Prospectus has been audited by the Guarantor's auditors.

*Age of latest financial information*

The latest financial information is not older than 18 months as it dates back to 31 December 2011.

**Interim and other financial information**

The Guarantor does not publish half yearly financial information.

**Governemental, legal and arbitration proceedings**

Save as disclosed in the Annual Report 2011 on page 105, the Guarantor is not involved in any litigation, arbitration, administrative or governemental proceeding which relates to claims or amounts which might have significant effects on the Guarantor's financial position or profitability and, so far as the Issuer is aware, no such litigation, arbitration, administrative or governemental proceeding is pending or threatened, nor was the Guarantor involved in any such proceedings during the last 12 months.

**Significant change in the Guarantor's financial or trading position**

Save as disclosed in the Annual Report 2011 on page 8 under 3.5 'Post-balance-sheet events', there has been no significant change in the financial or trading position of the Guarantor since 31 December 2011.

**Additional information***Share Capital*

Since the 30 June 2006, the Garantor's share capital amounts to EUR 2.35 billion represented by

55,414,550 ordinary shares without par value.

The Guarantor has not issued any other class of shares.

Since 6 August 2004 all the Guarantor's shares have been held ING Group.

### ***Articles of Association and Purpose***

Under Article 3 of its Articles of Association, the company's activity is to carry out, on its own behalf or on behalf of third parties, in Belgium or abroad, any business associated with banking service, in the broadest sense of the term. This includes, but is not necessarily limited to, all transactions relating to deposits of cash and securities, credit transactions of any nature, financial business, stock-market operations, foreign exchange, issuance, intermediation and brokerage.

The company is also authorised to conduct any other business activities that banks are, or may be, allowed to carry out in Belgium or abroad, such as, inter alia, those relating to the commission and brokerage of insurance services, finance leasing and other leasing services in any form, as well as asset, property, advisory or consultancy services on behalf of third parties within the context of these activities.

The company is authorised to hold shares and interests in other companies within the limits laid down by law and regulatory authorities.

The company may acquire and own property and real-estate rights for its own use, or in pursuit of its corporate object. It may also acquire property in connection with securing the repayment of loans and advances.

The company is further authorised to engage in any venture or commercial activity involving assets or property directly or indirectly related to its corporate object, or to facilitate the pursuit of this object.

### **Material Contracts**

There are no material contracts outside the ordinary course of the Guarantor's business, which could result in being under an obligation or entitlement that is material to the Guarantor's ability to meet its obligation to the Noteholders in respect of the Notes being issued.

### **Third party information and statement by experts and declarations of any interest**

There is no third party information nor statement by experts nor declaration of any interest.

### **Documents on Display**

So long as Notes may be issued or are outstanding under the Programme, copies of the following documents will, when published, be available from the registered office of the Guarantor and from the specified office of the Paying Agents:

- (a) the Articles of Association of the Guarantor;
- (b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Guarantor's request any part of which is included or referred to in the Programme;
- (c) the historical financial information of the Guarantor for each of the two financial years preceding the date of publication of this Prospectus.



## GUARANTEE

### Nature of the Guarantee

The Notes benefit from the unconditional and irrevocable guarantee of ING Belgium SA/NV pursuant to the Declaration of Guarantee made initially on 26 January 2004 for an amount of EUR 1,000,000,000 and gradually increased to the current maximum amount of the Programme of EUR 10,000,000,000 on 18 June 2008 (the “Guarantee”).

Set out hereunder, is the full text of the Guarantee.

### « DECLARATION OF GUARANTEE »

*« ING Belgium SA/NV having its registered office at 24 avenue Marnixlaan, B-1000 Brussels, Belgium (the “Guarantor” hereby unconditionally and irrevocably guarantees to the holder of notes issued under the EUR 10,000,000,000 Issuance Programme (the “Notes”) by ING Belgium International Finance S.A. (the “Issuer”), the payment of the principal of said Notes and interest thereon, if any, when and as the same shall become due and payable (including any additional amounts required to be paid according to the terms of said Notes) in accordance with the terms thereof.*

*In case of failure of the Issuer punctually to make any such payment, the Guarantor hereby undertakes to cause such payment to be made punctually when and as the same shall become due and payable, whether at maturity, upon redemption by acceleration of maturity or otherwise, as if such payment were made by the Issuer in accordance with the terms thereof. The Guarantor hereby waives any requirement that any holder of said Notes, in the event of any default in such payment by the Issuer, first makes demand upon or seeks to enforce remedies against the Issuer before seeking to enforce this Guarantee. The Guarantor agrees that its obligations under this Guarantee shall be unconditional and irrevocable, irrespective of the validity, regularity or enforceability of said Notes, the absence of any action to enforce the same, any waiver or consent by the holder of said Notes with respect to any provisions thereof, the recovery of any judgement against the Issuer or any action to enforce the same, any consolidation, merger, conveyance or transfer by the Issuer or any other circumstance which might otherwise constitute a legal or equitable discharge or defence of a guarantor; and covenants that this Guarantee will not be discharged except by complete performance of the obligations contained in said Notes and this Guarantee.*

*The rights of the holder of said Notes under this Guarantee are and shall be direct, unconditional, irrevocable and unsecured obligations of the Guarantor and will rank pari passu without any preference among themselves with all other present and future unsecured and unsubordinated obligations of the Guarantor.*

*The Guarantor agrees that it will comply with and be bound by all provisions contained in the Terms and Conditions of said Notes which are expressed to relate to it as if such provisions were set out in full in this Guarantee and that for the purposes of such Terms and Conditions this Guarantee forms part of said Notes.*

*The Guarantor will not exercise any right of subrogation against the Issuer pursuant to this Guarantee or take any other action to assert claims it may have against the Issuer until all of the principal of, and interest on the Notes (including any additional amounts required to be paid pursuant to the Terms and Conditions of the Notes) is paid.*

*The provisions of this Guarantee shall be governed by and shall be construed in accordance with the laws of the Grand Duchy of Luxembourg. The holder of said Notes shall be free to enforce his rights against the Guarantor in the courts of the Grand Duchy of Luxembourg and/or in the courts of the*

*Kingdom of Belgium, to the non-exclusive jurisdiction of which the Guarantor hereby irrevocably submits. For the purpose of any action or proceedings brought in the Grand Duchy of Luxembourg in connection with this Guarantee, the Guarantor hereby elects domicile at the principal office of ING Luxembourg S.A. having its registered office at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg for all acts, formalities or procedures. »*

**Scope of the Guarantee**

Save as provided under the above terms of the Declaration of Guarantee, there are no further conditions applying to the Guarantee.

**Information on the Guarantor**

All information on the Guarantor can be found in the Chapter 1, section “ING Belgium SA/NV”.

**Documents on display**

So long as Notes may be issued or are outstanding under the Programme, copies of the Declaration of Guarantee dated 18 June 2008 are available from the registered office of the Issuer and from the specified office of the Paying Agents.

## TAXATION

### BELGIAN TAXATION

*The following summary describes the tax law of the Kingdom of Belgium as at the date hereof in relation to the acquisition, holding and transfer of Notes and Warrants. This information is of a general nature and for information purposes only; it is not exhaustive. Therefore, prospective investors and holders of the Notes and Warrants should consult their professional advisers. The statements herein regarding Belgian taxation are based on the laws in force in Belgium as of the date of the Base Prospectus and are subject to any change in law.*

#### 1. Belgian tax regime regarding Notes

##### 1.1. General

*Under Belgian income tax law, the Notes are to be considered as fixed income securities (Art. 2 § 4 WIB92). All amounts paid on the Notes by the Issuer are deemed 'interest' under Belgian tax law.*

##### 1.2. Individuals

###### Individuals resident in Belgium

Individuals who are resident in Belgium for tax purposes and who hold the Notes as a private (i.e. non-professional) investment are taxable on the interest income generated by the Notes. Interest income also includes any amount paid or returned in excess of the Issue Price by the Issuer.

If a Belgium based professional intermediary (bank, broker, etc.) is involved in the payment of the interest income, that professional intermediary must withhold a withholding tax of 21%.

If no Belgium based professional intermediary (bank, broker, etc.) is involved in the payment of the interest income, or if otherwise no Belgian withholding tax is withheld, the individual investor who is subject to Belgian individual income tax will have to disclose the interest income in his or her tax return, and will be liable to a tax of 21%.

A gain realised by selling or transferring the Notes (but not by selling or transferring the Notes to the Issuer and not as a result of the Redemption of the Notes) is not taxed, except in the event that this sale can be qualified as «speculative» (being every action that cannot be qualified as the normal management of private assets). If considered a speculative, such gain is then taxable as «miscellaneous» income at a tax of 33,99%.

However, the portion of the sales or transfer price that reflects interest income accrued but not yet paid or payable, is treated as taxable interest income (see above), irrespective of whether the sale or transfer of the Notes results in an actual gain or loss. In both cases, part of the sales or transfer proceeds are treated as taxable interest because of the (likely) characterisation of the Notes as 'fixed income securities' for Belgian tax purposes.

Also the positive difference between the (i) amount payable to the investor in case of redemption or purchase or any other sale or transfer of the Notes to the Issuer (e.g. the optional redemption amount) and (ii) issue price will also be treated as taxable interest income.

The individual investor who holds the Notes as a private (i.e. non-professional) investment is not entitled to any tax deduction for losses or expenses in connection with the Notes.

4% surcharge (additional levy on movable income).

Resident individuals with movable income (interest and dividends as defined by Article 17, §1, 1° and 2° ITC) exceeding net €20.020 (amount income 2012) per year become subject to a separate 4% surcharge tax on the movable income exceeding the threshold. Net amount means the amount collected

or received, before deduction of any collection and other similar expenses, and increased with the Belgian withholding tax (if any). Movable income qualifying for the determination of the threshold does not include tax-exempt interest from regulated savings deposits and other interest and dividends which are not taxable according to Article 21 ITC (such as buyback or liquidation dividends from certain investment companies), interest on State bonds issued and subscribed in the period 24 November - 2 December 2011 and liquidation dividends. Similarly, the 4% surcharge is not due on tax exempt interests from regulated saving deposits and other interest and dividends which are not taxable according to Article 21 ITC, on said State bonds and on liquidation boni. The 4% surcharge is also not due on interests and dividends subject to withholding tax at the rate of 25%. For purposes of calculating the €20,020 threshold, interests and dividends taxed at 25%, as well as taxed interests on savings deposits, are taken into account first.

Two collection systems are put in place:

- Communication and declaration : in principle the debtor (for registered securities) or the economic operator (e.g. the bank) has to inform the authorities of the amount of movable income perceived. The 4% surcharge is not withheld at source but is due further to the establishment of the personal tax liability based on the personal income tax return.
- In the situation where the tax payer instructs the debtor of the withholding tax to withhold the 4% surcharge at source, no communication will have to be made. However, any excessive withholding at source (e.g. because the threshold of €20,020 is not reached) can be claimed back via the income tax return. Any excess surcharge withheld at source is first credited against any personal income tax due based upon the tax return, any excess remaining being reimbursed.

As a conclusion, income from Notes can be subject to an “additional tax on movable income” of 4% either through a withholding at source or through the tax return (at the choice of the investor). Income from Notes on which the additional tax of 4% has been applied – above the Belgian withholding tax of 21% - does not have to be reported anymore in the tax return. Income from Notes which has only been subject to the Belgian Withholding tax of 21%, must be reported in the tax Return.

### **Non-resident individuals**

If a Belgium based professional intermediary (bank, broker, etc.) is involved in the payment of the interest income, that professional intermediary must withhold a withholding tax of 21%. Individuals who are not resident in Belgium for tax purposes may claim an exemption from the Belgian withholding tax the Belgian financial institution would otherwise have to withhold, if they have certain ownership rights over the Notes and if they do not use the Notes in relation to a professional activity in Belgium. For purposes of the exemption, they will have to fill out and present an appropriate tax form.

## **1.3. Companies**

### **Companies resident in Belgium and foreign companies using the Notes used for activity in Belgium**

Companies that have their tax residence in Belgium and that are subject to corporate income tax, and companies (or similar entities) that do not have their tax residence in Belgium but hold the Notes through an ‘establishment’ (or ‘permanent establishment’) in Belgium, are liable to income tax on any income or profit from the Notes. This income tax takes the form of a corporate tax at a standard rate of 33.99%. In case a Belgium based professional intermediary (bank, broker,...) is involved in the payment of the interest income, the companies may, except for capitalisation and accumulation notes, claim an exemption from the withholding tax that the intermediary would otherwise have to withhold. For purposes of the exemption, they will have to fill out and present an appropriate tax form. If the exemption is not available, the companies are entitled to a tax credit that is

proportionally limited to the interest period during which they had full ownership over the Notes.

Also, all gains realised in respect of the Notes, whether or not at Redemption, at Purchase or by selling or transferring the Notes to the Issuer or to any other person or entity, are fully subject to corporate tax. Losses and expenses may however be tax deductible.

#### **Notes not used for activity in Belgium**

If a Belgium based professional intermediary (bank, broker, etc.) is involved in the payment of the interest income, that professional intermediary must withhold a withholding tax of 21% in. Companies (or similar entities) that are not resident in Belgium for tax purposes may claim an exemption from the Belgian withholding tax the Belgian financial institution would otherwise have to withhold, if they have certain ownership rights over the Notes and if they do not use the Notes in relation to their activity in Belgium. For purposes of the exemption, they will have to fill out and present an appropriate tax form.

### **1.4. Non-profit entities**

#### **Entities resident in Belgium**

Entities that are subject to Belgian income tax for legal entities are taxable on the interest income generated by the Notes. The tax is due in the form of a 21% withholding tax, either to be applied by the Belgium based professional intermediary (bank, broker, ...) that is involved in the payment of the interest income, or by the entity itself, if no Belgium based professional intermediary is involved or if otherwise no Belgian withholding tax is withheld.

The definition of interest income is the same as for individual investors (see point (a) above), and includes gains in case of Redemption, Purchase or sale or transfer to the Issuer, as well as interest accrued but not yet paid or payable in case of a sale or transfer.

Apart from that, a gain realised by selling or transferring the Notes (but not by selling or transferring the Notes to the Issuer and not as a result of the Redemption of the Notes) is not taxed.

#### **Non-resident entities**

If a Belgium based professional intermediary (bank, broker, etc.) is involved in the payment of the interest income, that professional intermediary must withhold a withholding tax of 21% in. Entities that are not resident in Belgium for tax purposes may claim an exemption from the Belgian withholding tax that the Belgian financial institution would otherwise have to withhold, if they have certain ownership rights over the Notes and if they do not use the Notes for their activity in Belgium. For purposes of the exemption, they will have to fill out and present an appropriate tax form.

### **2. Belgian tax regime regarding the Warrants**

Investors who are Belgian residents for tax purposes are in principle subject to the following tax treatment with respect to the Warrants. Other rules can be applicable in special situations, in particular with respect to Debt Warrants, when the return on the underlying basket of debt securities or single debt security is fixed, in which case the holders of Warrants could be subject to the tax regime applicable to the Notes.

#### **2.1. Tax treatment of Belgian individuals**

Private individual investors (i.e. individual investors who do not hold the Warrants for professional purposes) are in principle not liable to income tax on gains realised on the disposal, the exercise and the exchange of the Warrants, and on other transactions with respect to the Warrants, except if the gains are realised outside the scope of the normal management of one's own private estate. Losses are not tax deductible.

## **2.2. Tax treatment of Belgian corporation**

Corporations who are Belgian residents for tax purposes will be subject to Belgian corporate income tax of 33.99% on the gains realised on the disposal, the exercise and the exchange of the Warrants and on other transactions with respect to the Warrants. Losses are in principle deductible.

## **2.3. Tax treatment of other Belgian legal entities**

Other legal entities investors are in principle not liable to income tax on gains realised on the disposal, the exercise and the exchange of the Warrants, and on other transactions with respect to the Warrants. Losses are not tax deductible.

## **3. EU Council Directive on the Taxation of Savings Income**

The Council of the European Union ("EU") has adopted a directive regarding the taxation of savings income (the "Savings Directive"). The Savings Directive requires Member States to provide to the tax authorities of other Member States or the tax authorities of the Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands (the "Dependent and Associated Territories") details of "interest payments" (within the meaning of the Savings Directive) paid by a "paying agent" (within the meaning of the Savings Directive) to an individual resident in another Member State or resident in a Dependent and Associated Territory.

In this respect, Belgium has implemented the Savings Directive. Under the Savings Directive, information concerning "interest payments" made by a Belgian paying agent to beneficial owners who are individuals resident in other Member States or to certain residual entities as defined in the Directive (the "Residual Entities") will be reported to the tax authorities of his or her state of residence.

On 15 September 2008 the European Commission issued a report to the Council of the EU on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. If any of those proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above.

## **4. Indirect taxes**

### **4.1. Belgian tax on securities trades**

A stock exchange tax will be levied on the purchase and sale in Belgium of the Notes and/or the Warrants on a secondary market through a professional intermediary.

The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is :

- a) 0.09% for Notes with capital guarantee,
- b) 0,22% for Notes without capital guarantee,
- c) 0,22% for Warrants,

with a maximum amount of EUR 650 per transaction and per party.

[note : with respect to b) and c) a draft tax law has been deposited at the Parliament on 15 May 2012. If such law is voted and published in the Moniteur Belge in the course of June 2012, as from August 1, 2012, the 0,22% rate will become 0,25%, and the threshold will increase to EUR 750].

A separate tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

If they act for their own account, following investors are exempt from Belgian tax on securities trades:

- non-resident persons or entities, who can identify themselves as such;
- professional intermediaries within the meaning of Article 2 of the Law 6 April 1995 on the secondary markets;
- insurance companies within the meaning of Article 2, § 1 of the Law of 9 July 1975 on the supervision of insurance companies;
- pension funds within the meaning of Article 2, § 3, 6° of the same Law of 9 July 1975 and of the Royal Decree of 15 May 1985 on the activities of private sector pension savings institutions;
- collective investment vehicles within the meaning of the Law of 4 December 1990.

#### **4.2. Belgian inheritance and gift taxes**

If the Notes and/or the Warrants belong to the estate of a deceased individual who, at the time of his or her decease, is considered resident of Belgium, the Notes are subject to inheritance taxes. A written gift deed in respect of a gift of Notes and/or the Warrants, passed before a Belgian notary in order to be valid, must be registered and is subject to gift taxes.

### **ITALIAN TAXATION**

*The statements herein regarding taxation summarise the principal Italian tax consequences of the purchase, the ownership and the disposal of the Notes and/or Warrants. They apply to a holder of Notes or Warrants only if such holder purchases its Notes and/or Warrants under the Programme. It is a general summary that does not apply to certain categories of investors and 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 and/or Warrants. It does not discuss every aspect of Italian taxation that may be relevant to a holder of Notes, Certificates and/or Warrants if such holder is subject to special circumstances or if such holder is subject to special treatment under applicable law.*

*This summary assumes that the Issuer is resident in its country of incorporation for tax purposes, that it is organised and that its business will be conducted in the manner outlined in the Base Prospectus. Changes in the Issuer's tax residence, organisational structure or the manner in which the Issuer conducts its business may invalidate this summary. This summary also assumes that each transaction with respect to Notes and/or Warrants is at arm's length.*

*Where in this summary English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.*

*The statements herein regarding taxation are based on the laws in force in the Republic of Italy as of 29 June 2012 and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid. With regard to certain innovative or structured financial instruments there is currently no case law and limited comments of the Italian tax authorities as to the tax treatment of such financial instruments. Accordingly, it cannot be excluded that the Italian tax authorities and courts or Italian intermediaries may adopt a view different from that outlined below. In addition, the taxation of financial instruments, including the Notes and the warrants, has been recently reformed. Given that the reform is very recent, it cannot be excluded that in the near future, the Italian tax authorities may further amend or clarify the tax treatment of interest and capital gains on Notes*

and/or the Warrants. Prospective purchasers of Notes and/or Warrants under the Programme are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes and/or Warrants.

*This summary does not describe the tax consequences for a holder of Notes and/or Warrants that are redeemable in exchange for, or convertible into, shares, as well as in case Physical Delivery is provided, of the exercise, settlement or redemption of such Notes and/or Certificates and/or Warrants and/or any tax consequences after the moment of exercise, settlement or redemption.*

\* \* \*

*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 and/or the Warrants 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 and/or Warrants 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 and/or Warrants invests indirectly in underlying financial instruments for the purpose of obtaining a profit deriving from the negotiation of such underlying financial instruments.*

## **1 Tax treatment of the Notes qualifying as bonds or securities similar to bonds**

### **1.1. Interest**

Legislative Decree No. 239 of 1 April 1996, as 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 simili alle obbligazioni*).

For this purpose, securities similar to bonds are debt instruments implying a “use of capital” issued in mass that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and that do not allow a direct or indirect participation in the management of the issuer.

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, (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 20 % (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). The *imposta sostitutiva* may not be recovered as a deduction from the income tax due.

In case the Notes are held by an individual or a non commercial private or public institution 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”), trust companies, società di gestione del risparmio (“SGRs”) stock exchange agents and other Italian tax resident entities identified by the relevant Decrees of the Ministry of Finance (the



"Intermediaries").

The *imposta sostitutiva* does not apply, *inter alia*, to the following subjects, to the extent that the Notes are deposited in a timely manner, directly or indirectly, with an Intermediary:

- (i) Corporate investors - 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 is not subject to substitute tax but must be included in: the relevant Noteholder's yearly taxable income and are therefore subject to ordinary Italian corporate taxation (and in certain circumstances, depending on the "status" of the Noteholder, also to IRAP- the regional tax on productive activities;
- (ii) Investment funds – Where the Noteholder is Italian investment funds (which includes Fondi Comuni d'Investimento, or SICAV), as well as Luxembourg investment funds regulated by article 11-bis of Law Decree No. 512 of 30 September 1983 (collectively, the "Funds"), Interest is subject neither to substitute tax nor to any other income tax in the hands of the Fund. A withholding tax may apply in certain circumstances at the rate of up to 20 percent on distributions made by the Fund or SICAV;
- (iii) Pension funds – Where the Noteholder is a Pension funds (subject to the tax regime set forth by Article 17 of Legislative Decree No. 252 of 5 December 2005, the "Pension Funds"), Interest is not subject to substitutive tax, but must be included in the Pension Fund's annual net accrued result that is subject to an 11% substitutive tax; and
- (iv) Real estate investment funds - Where the Noteholder is an Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 (the "Real Estate Investment Funds"), Interest is subject neither to substitute tax nor to any other income tax in the hands of the Fund. A withholding tax may apply in certain circumstances at the rate of up to 20% on distributions made by Italian Real Estate Funds and, in certain cases, a tax transparency regime may apply in respect of certain categories of investors in the Italian Real Estate Fund owning more than 5 % of the Fund's units.

Interest payments relating to the Notes received by non-Italian resident beneficial owners are generally, provided that certain conditions and formalities are met, not subject to tax in Italy.

## 1.2. Capital Gains

Pursuant to Legislative Decree No. 461 of 21 November 1997, as amended, a 20 % capital gains tax (the "CGT") is applicable to capital gains realised on any sale or transfer of the Notes for consideration or on redemption or exercise thereof by Italian resident individuals (not engaged in a business activity to which the Notes are effectively connected), regardless of whether the Notes and/or of the Warrants 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.

Taxpayers can opt for certain alternative regimes in order to pay the CGT.

The aforementioned regime does not apply to the following subjects:

- (A) Corporate investors (including banks and insurance companies): capital gains realised by Italian resident corporates shall be included in the relevant Noteholder's yearly taxable income and are therefore subject to ordinary Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Noteholder, also to IRAP- the regional tax on productive activities). Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years for IRES purposes.

- (B) Funds - Capital gains realised by the Funds is subject substitute tax nor to any other income tax in the hands of the Fund. A withholding tax may apply in certain circumstances at the rate of up to 20% on distributions made by the Fund or SICAV (see under paragraph 1.1. “Italian resident Noteholders”, above).
- (C) Pension Funds - Capital gains realised by Pension Funds on the Notes will contribute to determine the annual net accrued result of those same Pension Funds, which is subject to an 11% substitutive tax (see under paragraph 1.1. “Italian resident Noteholders”, above).
- (D) Real Estate Investment Funds - Capital gains realised by Italian Real Estate Investment Funds on the Notes and/or the Warrants are subject to the tax regime described under paragraph 1.1. “Italian resident Noteholders” above.

Capital gains realised by non-resident Noteholders without a permanent establishment in Italy to which the Notes are effectively connected on the disposal or redemption of the Notes and/or the Warrants are not subject to tax in Italy, regardless of whether the Notes are held in Italy, subject to the condition that the Notes and/or the Warrants are listed in a regulated market (e.g., Euronext Amsterdam or Luxembourg Stock Exchange). In relation to non-Italian resident persons holding the Notes and/or the Warrants with an Italian authorized financial intermediary, the exclusion of Italian taxation may be subject to certain procedural formalities.

## **2 Tax treatment of the Notes qualifying as atypical securities**

Interest payments relating to debt instruments implying a “use of capital” that are not deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli simili alle obbligazioni*) may be subject to withholding tax, levied at the rate of 20%, if made to the following Italian resident Noteholders: (i) individuals, (ii) non-commercial partnerships; (iii) Real Estate Investment Funds, (iv) Pension Funds, (v) Funds and (vi) entities exempt from Italian corporate income tax.

Interest paid to Italian resident Noteholders which are companies or similar commercial entities (including a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected) are not subject to the 20% withholding tax, but will form part of their aggregate income subject to income tax according to ordinary rules. In certain cases, such Interest may also be included in the taxable net value of production for IRAP purpose.

Interest payments relating to Notes received by non-Italian resident beneficial owners are generally, provided that certain conditions and formalities are met, not subject to tax in Italy. Capital gains realized on any sale or transfer of the Notes for consideration or on redemption or exercise thereof by Italian resident individuals is subject to the tax regime described under paragraph 1.2. above.

## **3 Tax treatment of Warrants and securitized 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 and/or Warrants qualifying as securitized derivative financial instruments not entailing a “use of capital” as well as capital gains realised through the sale of the same Notes and/or Warrants would be subject to Italian taxation according to the same rules described under paragraph 1.2. applicable on capital gains realised through the sale or transfer of the Notes.

## **4 Transfer Taxes**

Pursuant to article 37 of Law Decree 31 December 2007, n. 248 (converted into law by law of 28 February 2008, n.31) the stamp duty tax (*tassa sui contratti di borsa*) provided by Royal Decree of 30 December 1923 and Legislative Decree of 21 November 1997, n. 435 - which may have applied to transfers of Notes and Warrants - was repealed.

## **5 Inheritance and Gift Tax**

Pursuant to Law Decree No. 262 of 3 October 2006, as converted with amendment by Law N. 286 of 24 November 2006, as further amended by Law No. 296 of 27 December 2006, inheritance and gift taxes have been reintroduced in Italy, with effect as of 3 October 2006. Consequently, any transfer of Notes and/or Warrants *mortis causa* or by reason of donation or gratuitously made on or after 3 October 2006, is liable to inheritance or gift tax according to the following rates and exclusions:

- a) If the beneficiary is a spouse as well as any direct-line of kin, the taxes apply with a rate of 4% on the value of the assets (net of liabilities) exceeding, for each person, EUR 1,000,000;
- b) If the beneficiary (or donee) is any other relative, besides the above, up to the fourth degree, direct line of cognate and collateral line of cognate up to the third degree, the taxes apply with a rate of 6% on the relevant value of the assets (net of liabilities); if the beneficiary (or donee) is a brother or sister, such 6% rate applies on the net asset value exceeding for each person EUR 1,000,000;
- c) If the beneficiary (or donee) is any other person, the taxes apply with a rate of 8% on the relevant value of the assets (net of liabilities).

If the beneficiary (donee) is affected by an handicap deemed as "critical" pursuant to Law No. 104 of 5 February 1992, inheritance and gift taxes apply only on the value of assets (net of liabilities) exceeding EUR 1,500,000.

Moreover, an anti-avoidance rule is provided for in case of donation of assets (such as the Notes and/or the Warrants) whose transfer for consideration would give rise to capital gains subject to CGT. In particular, if the beneficiary transfers the Notes and/or the Warrants for consideration within 5 years from the donation, the beneficiary is required to pay the relevant CGT as if the donation had never taken place.

## **6 Wealth Tax**

According to Article 19 of Decree of 6 December 2011, No. 201 ("Decree No. 201/2011"), converted with Law of 22 December 2011, No. 214, Italian resident individuals holding financial assets – including the Notes and the Warrants – outside of the Italian territory are required to pay a wealth tax at the rate of 0.1 per cent for years 2011 and 2012 and at the rate of 0.15% for subsequent years (the tax is determined in proportion to the period of ownership). The tax applies on the market value at the end of the relevant year or – in the lack of the market value – on the nominal value or redemption value of such financial assets held outside of the Italian territory. Taxpayers are enabled to deduct from the tax a tax credit equal to any wealth taxes paid in the State where the financial assets are held (up to the amount of the Italian wealth tax due). The actual scope and application modality of such tax is currently uncertain since a Decree of the Ministry of Finance will specify the implementing provision of such new tax.

## **7 Stamp taxes and duties**

According to Article 19 of Decree No. 201/2011, a proportional stamp duty applies on a yearly basis at the rate of 0.1% for year 2012 and at the rate of 0.15 per cent for subsequent years on the market value or – in the lack of a market value – on the nominal value or the redemption amount of any financial product or financial instruments. The stamp duty cannot be lower than Euro 34.2 and, in year 2012 only, cannot exceed the amount of Euro 1,200. The actual scope of such stamp duty is currently uncertain since a Decree of the Ministry of Finance will specify the implementing provision of such new stamp duty. Based on the wording of the law, it may be understood that the stamp duty applies both to Italian resident Noteholders and/or Warrantholders and to non-Italian resident Noteholders and/or Warrantholders, to the extent that the Notes and/or Warrants are held with an Italian-based financial intermediary.

## 8 Tax Monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended, individuals resident in Italy who, at the end of the fiscal year, hold investments abroad or foreign financial activities must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided if, inter alia, each of the overall value of the foreign investments or financial activities held at the end of the fiscal year, and the overall value of the related transfers carried out during the relevant fiscal year, does not exceed EUR 10,000.

## LUXEMBOURG TAXATION

Noteholders who either are tax residents of the Grand-Duchy of Luxembourg or have a permanent establishment, a permanent representative or a fixed base of business in the Grand-Duchy of Luxembourg with which the holding of the Luxembourg Notes would be connected will be hereafter referred to as the “Luxembourg Noteholders”.

Noteholders do not become resident of the Grand-Duchy of Luxembourg by merely subscribing, acquiring or holding Notes unless their holding is connected with a permanent establishment, a permanent representative or a fixed base of business they have in the Grand-Duchy of Luxembourg.

Warrantheolders who either are tax residents of the Grand-Duchy of Luxembourg or have a permanent establishment, a permanent representative or a fixed base of business in the Grand-Duchy of Luxembourg with which the holding of the Luxembourg Warrants would be connected will be hereafter referred to as the “Luxembourg Warrantheolders”.

Warrantheolders do not become resident of the Grand-Duchy of Luxembourg by merely subscribing, acquiring or holding Warrants unless their holding is connected with a permanent establishment, a permanent representative or a fixed base of business they have in the Grand-Duchy of Luxembourg.

*The statements herein regarding taxation in Luxembourg are based on the laws in force in the Grand Duchy of Luxembourg as of 29 June 2012 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 and/or the Warrants. Each prospective holder or beneficial owner of Notes and/or Warrants should consult its tax advisor regarding the Luxembourg tax consequences of the ownership and disposition of the Notes and/or the Warrants.

### 1. Withholding tax

Under Luxembourg tax law currently in effect, with the possible exception of interest paid to individual Noteholders/Warrantheolders and to certain entities, there is no withholding tax on interest payments, unless the payments are due under certain types of direct profit sharing debt (i.e., interest that represents a right to profit participation on a bond may be assimilated as a dividend and subject to withholding tax as such) or fall either within the scope of the Directive 2003/48/EC (hereafter “**EU Savings Directive**”) or of the Luxembourg final withholding tax on interest paid to Luxembourg resident individuals.

#### **EU Council Directive on the Taxation of Savings Income**

The Council of the European Union (“**EU**”) has adopted a directive regarding the taxation of savings income (the “**Savings Directive**”). The Savings Directive requires Member States to provide to the tax authorities of other Member States or the tax authorities of, among others, Guernsey, Jersey, the

Isle of Man, Montserrat and the British Virgin Islands (the “**Dependent and Associated Territories**”) details of payments of interest and other similar income paid by a paying agent (within the meaning of the Savings Directive) to an individual resident in another Member State or resident in a Dependent and Associated Territory, except that Austria and Luxembourg (unless they elect otherwise) are instead required to impose a source tax (the “**Source Tax**”) for a transitional period, unless the beneficiary of the interest payments or other similar income elects otherwise. The ending of such transitional period depends on the conclusion of certain agreements relating to exchange of information with certain other countries. The current rate of the Source Tax is fixed at 35%.

In this respect, **Luxembourg** has implemented the Savings Directive. Under the Directive, effective from 1 July 2005, interest payments made by Luxembourg payers to beneficial owners who are individuals resident in other Member States or to certain residual entities as defined in the Directive (the “**Residual Entities**”) are subject to withholding tax, unless the recipient elects that information regarding the interest payment be exchanged with the tax authorities of his or her state of residence or unless the recipient provides with a certificate to the Luxembourg paying agent in accordance with the Article 13 of the Savings Directive. The current withholding tax rate is 35%.

According to the Circular letter issued by the Luxembourg tax authorities RIUE n°1 dated 29 June 2005, incomes from derivative and innovating products and structured products are excluded from the application of the Savings Directive within the limits of Article 11 of the OECD Model Convention.

According to the current Luxembourg interpretation of the Savings Directive and without prejudice to the foregoing general principle and by way of an express and limitative exception, structured notes having a coupon fixed in advance that is not linked to a random event, fall into the scope of the Savings Directive. Certain structured notes may contain at the same time a guaranteed ‘interest’ component, contractually agreed in advance, and not contingent on random market conditions. Such ‘interest’ component is considered an interest payment since the characteristics are similar to payments made on ordinary obligations. Such qualification as ‘interest payment’ applies even if the moment of payment of the income is random.

On 15 September 2008 the European Commission issued a report to the Council of the EU on the operation of the Savings Directive, which included the Commission's advice on the need for changes to the Savings Directive. If any of those proposed changes are made in relation to the Savings Directive, they may amend or broaden the scope of the requirements described above. to the Savings Directive, they may amend or broaden the scope of the requirements described above.

### **Final withholding tax on interest paid to Luxembourg resident individuals**

A withholding tax of 10% has been introduced, as from 1 January 2006, on interest payments made by Luxembourg paying agents (defined in the same way as in the EU Savings Directive) to Luxembourg individual residents. Only interest accrued since 1 July 2005 falls within the scope of the withholding tax.

As from 1 January 2009, the application of this 10% withholding tax is also available for defined interest payments made by certain foreign paying agents to resident individuals (under certain conditions).

## **2. Taxation of the Luxembourg Noteholders/Warrantholders**

### **2.1. Individuals**

#### ***Taxation of interest***

The above mentioned 10% Luxembourg withholding tax (see the above section “Final Withholding tax on interest paid to Luxembourg resident individuals”) represents the final tax liability on interest received for the Luxembourg resident individuals receiving the payment in the course of their

private wealth. Individual Luxembourg resident Noteholders/Warrantholders receiving interest if any as business income must include interest income in their taxable basis. In this case, the 10% Luxembourg withholding tax levied will be credited against their final income tax liability.

#### ***Taxation of capital gain***

Luxembourg individual Noteholders or Luxembourg individual Warrantholders are not subject to taxation on capital gains upon the disposal of the Notes/Warrants, unless the disposal of the Notes/Warrants precedes the acquisition of the Notes/Warrants or unless the holding period of the Note / Warrant does not exceed 6 months and the total capital gains exceed EUR 500. Upon redemption or exchange of the Notes/Warrants, accrued but unpaid interest if any will be subject to the 10% withholding tax. Individual Luxembourg resident Noteholders/Warrantholders receiving the interest as business income must also include the portion of the redemption price corresponding to this interest in their taxable income. The 10% Luxembourg withholding tax levied will be credited against their final income tax liability.

#### ***Taxation of reimbursement***

Luxembourg Noteholders will not be liable to any Luxembourg income tax upon repayment of principal of the Notes.

Luxembourg Warrantholders must, for income tax purposes, include any Cash Settlement received in their taxable income. They will not be liable to any Luxembourg income tax upon Physical Settlement of the Warrants.

## **2.2. Companies**

### **Luxembourg resident companies – General regime**

#### ***Taxation of interest***

Luxembourg companies (sociétés de capitaux) Noteholders or Warrantholders must include in their taxable income interest received from the Note/Warrant.

#### ***Taxation of capital gain***

Luxembourg companies (sociétés de capitaux) Noteholders or Warrantholders must include in their taxable income the difference between the sale price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes/Warrants sold.

#### ***Taxation of reimbursement***

Luxembourg Noteholders will not be liable to any Luxembourg income tax upon repayment of principal of the Notes.

Luxembourg Warrantholders must, for income tax purposes, include any Cash Settlement received in their taxable income. They will not be liable to any Luxembourg income tax upon Physical Settlement of the Warrants.

### **Luxembourg resident companies benefiting from a special tax regime**

Luxembourg companies Noteholders or Warrantholders which are companies benefiting from a special tax regime are in principle tax exempt entities in Luxembourg, and are thus in principle not subject to Luxembourg corporate income tax, municipal business tax and net wealth tax. Such companies are in principle subject to the subscription tax calculated on their share capital or net asset value.

However, the Personal Investment Company (“Société de Gestion de Patrimoine Familial, “SPF”), a new private wealth management vehicle has been introduced by a Luxembourg act dated on 11 May 2007 and is in principle exempt from Luxembourg corporate income tax, municipal business tax and

net worth tax.

## SUBSCRIPTION AND SALE

On 29 June 2012 ING Belgium International Finance S.A. and ING Belgium SA/NV signed a programme agreement (the “**Programme Agreement**”), and ING Belgium SA/NV was appointed as a Dealer in respect of issues under the Programme.

### PART 1 - NOTES

The Issuer has prepared the Programme Agreement to which the Dealer to be appointed in connection with issues of Notes under the Programme will be required to accede, and pursuant to which any Dealer may from time to time agree to purchase Notes. In the Programme Agreement, the Issuer has agreed to reimburse the Dealer for certain of its expenses in connection with the Programme and the issue of Notes under it.

#### United States

The Notes have not been and will not be registered under the Securities Act.

The Notes are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

#### European Economic Area

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Notes 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, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Instruments to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes 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 such Notes 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 Issuer has consented in writing to its use for the purpose of that Non-Exempt Offer;
- (b) at any time to any person or entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers (if any) nominated by the Issuer, 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 Notes referred to in (b) to (d) above shall require the Issuer or any



Dealer—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 Notes to the public”, in relation to any Notes 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

### **Italy**

No public offerings or sales of the Notes or any distribution of copies of this Base Prospectus or of any other any offering material relating to any Notes issued by the Issuer will or may be made to the public in the Republic of Italy (“Italy”), except in case that the Issuer has been duly licensed to carry out banking activity in Italy pursuant to Article 11 of Legislative Decree No. 385 of 1 September 1993, as amended (the “Italian Banking Act”).

Moreover and subject to the foregoing, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes issued in Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with Legislative Decree No. 58 of 24 February 1998 (the “Italian Financial Act”), the Italian Banking Act and CONSOB Regulation No. 16190 of 29 October 2007, all as amended;
- (b) in compliance with Article 129 of the Italian Banking Act and the implementing instructions of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request post-offering information on the issue or the offer of securities in Italy; and
- (c) in compliance with any other applicable laws and regulations, including any requirement or limitation which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

### *Transfer restrictions in Italy*

Article 100-bis of the Italian Financial Act affects the transferability of the Notes in Italy to the extent that any placing of Notes is made solely with qualified investors and such Notes are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus in compliance with the Prospectus Directive has not been published, purchasers of Notes who are acting outside of the ordinary course of their business or profession may be entitled to declare such purchase void and to claim damages from any authorised person at whose premises the Notes were purchased, unless an exemption provided for under the Italian Financial Act applies.

Additional selling restrictions may be provided in the relevant Final Terms.

### **Switzerland**

The Notes being offered pursuant to this Base Prospectus do not represent units in collective investment schemes. Accordingly, they have not been registered with the FINMA as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.

Neither the Issuer nor any Dealer has applied for a listing of the Notes being offered pursuant to this Base Prospectus on the SIX Swiss Exchange or on any other regulated securities market in Switzerland other than pursuant to a listing prospectus approved by the SIX Swiss Exchange, and consequently the information presented in this Base Prospectus does not necessarily comply with the

information standards set out in the relevant listing rules unless read in conjunction with a listing prospectus approved by the SIX Exchange in respect of a particular issue of Notes.

One or several funds may underlie Notes. Such funds may not be registered in Switzerland under the Swiss legislation and regulations applicable to collective investment schemes. Accordingly, none of the underlying funds may be distributed in or from Switzerland based on a public solicitation as such term is defined under the Swiss legislation applicable to collective investment schemes and the relevant guideline and practice of the FINMA. Specifically, any Note linked for one third or more of its value to (a) fund(s) being unregistered in Switzerland may not be offered in or from Switzerland based on a public solicitation as defined above.

### **United Kingdom**

The Dealer appointed under the Programme will be required to represent and agree that, with respect to the issue of Notes by the Issuer:

(i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”), with respect to anything done by it in relation to the Notes issued by the Issuer in, from or otherwise involving the United Kingdom; and

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes issued by the Issuer in circumstances in which section 21(1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer.

### **General**

The Dealer appointed under the Programme by the Issuer will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers the Notes or possesses or distributes this Base Prospectus, any Final Terms or any other offering material relating to the Notes and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor the Dealer shall have any responsibility therefor.

Save as specifically described in this Base Prospectus, of the Issuer or the Dealer represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche of Notes, the Dealer will be required to comply with such other or additional restrictions as the Issuer and the Dealer shall agree and as shall be set out in the applicable Final Terms.

## **PART 2 - WARRANTS**

Save as specifically described in this Base Prospectus, no action has been or will be taken by the Issuer that would permit a public offering of any Warrants or possession or distribution of any offering material in relation to any Warrants in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Warrants, or distribution of any offering material relating to any Warrants, 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 the Issuer.

**United States**

The Warrants have not been and will not be registered under the Securities Act.

The Warrants are subject to US tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person.

**European Economic Area**

In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a “Relevant Member State”), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “Relevant Implementation Date”) it has not made and will not make an offer of Warrants 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, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Instruments to the public in that Relevant Member State:

- (a) if the final terms in relation to the Warrants specify that an offer of those Notes 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 such Warrants 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 Issuer has consented in writing to its use for the purpose of that Non-Exempt Offer;
- (b) at any time to any person or entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers (if any) nominated by the Issuer 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 Warrants referred to in (b) to (d) above shall require the Issuer or any Dealer 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 Warrants to the public” in relation to any Warrants 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 Warrants to be offered so as to enable an investor to decide to purchase or subscribe the Warrants, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

**Italy**

Any offer, sale or delivery of the Warrants issued by the Issuer or distribution of copies of this Base Prospectus or any other document relating to the Warrants issued by the Issuer in Italy must be:

- (a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with Legislative Decree No. 58 of 24 February 1998 (the “Italian

Financial Act”), Legislative Decree No.385 of 1 September 1993 (the “Italian Banking Act”) and CONSOB Regulation No. 16190 of 29 October 2007, all as amended;

- (b) in compliance with Article 129 of the Italian Banking Act and the implementing instructions of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request post-offering information on the issue or the offer of securities in Italy; and
- (c) in compliance with any other applicable laws and regulations, including any limitation or requirement which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

In addition, any investor purchasing the Warrants is solely responsible for ensuring that any offer or resale of the Warrants by such investor occurs in compliance with applicable Italian laws and regulations. The information contained in this Base Prospectus is intended only for the use of its recipient. No person located in Italy other than the original recipients of this Base Prospectus may rely on its contents.

Additional selling restrictions may be provided in the relevant Final Terms.

#### *Transfer restrictions in Italy*

Article 100-bis of the Italian Financial Act affects the transferability of the Warrants in Italy to the extent that any placing of Warrants is made solely with qualified investors and such Warrants are then systematically resold to non-qualified investors on the secondary market at any time in the 12 months following such placing. Where this occurs, if a prospectus in compliance with the Prospectus Directive has not been published, purchasers of Warrants who are acting outside of the ordinary course of their business or profession may be entitled to declare such purchase void and to claim damages from any authorised person at whose premises the Warrants were purchased, unless an exemption provided for under the Italian Financial Act applies.

#### **Switzerland**

The Warrants being offered pursuant to this Base Prospectus do not represent units in collective investment schemes. Accordingly, they have not been registered with the FINMA as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.

Neither the Issuer nor any Dealer has applied for a listing of the Warrants being offered pursuant to this Base Prospectus on the SIX Swiss Exchange or on any other regulated securities market in Switzerland, and consequently, the information presented in this Base Prospectus does not necessarily comply with the information standards set out in the relevant listing rules.

#### **United Kingdom**

All applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”) must be complied with in respect to anything done in relation to any Warrants in, from or otherwise involving the United Kingdom. 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 in connection with the issue or sale of any Warrants in circumstances in which Section 21 (1) of the FSMA would not, if the Issuer was not an authorised person, apply to the Issuer.

#### **General**

With regard to each issue of Warrants, additional restrictions may be set out in the applicable Final Terms.

## **GENERAL INFORMATION**

### **Authorisation**

The establishment of the Programme, and the issues thereunder, has been duly authorised by resolutions of the Board of Directors of the Issuer dated 19 January 2004, 7 June 2004, 27 December 2004, 11 April 2005, 23 January 2006 and 18 June 2008, as lastly superseded by its resolution on 29 June 2012. All consents, approvals, authorisations or other orders of all regulatory authorities required by the Issuer have been given (a) for the issue of Notes and the issue of Warrants and (b) for the Issuer to undertake and perform its obligations under the Programme Agreement, the Agency Agreement, the Notes, the Warrant Agreement and the Warrants.

### **Documents Available**

So long as Notes may be issued or are outstanding under the Programme, copies of the Declaration of Guarantee dated 18 June 2008 are available from the registered office of the Issuer and from the specified office of the Paying Agents and as long as Notes/Warrants issued under the Programme are listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, from the Luxembourg Listing Agent.

So long as Notes may be issued or are outstanding under the Programme, copies of the following documents will, when published, be available from the registered office of the Issuer and from the specified office of the Paying Agents and as long as Notes/Warrants issued under the Programme are listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, from the Luxembourg Listing Agent:

- a) the Articles of Association of the Issuer;
- b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the Programme, and,
- c) the historical financial information of the Issuer for each of the two financial years preceding the date of publication of this Prospectus.

So long as Notes may be issued or are outstanding under the Programme, copies of the following documents will, when published, be available from the registered office of the Guarantor and from the specified office of the Paying Agents and as long as Notes/Warrants issued under the Programme are listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, from the Luxembourg Listing Agent:

- a) the Articles of Association of the Guarantor;
- b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Guarantor's request any part of which is included or referred to in the Programme;
- c) the historical financial information of the Guarantor for each of the two financial years preceding the date of publication of this Prospectus

### **Clearing Systems**

The Notes and Warrants may be cleared through Euroclear Bank S.A./N.V. ("Euroclear") and/or Clearstream Banking, société anonyme ("Clearstream Luxembourg"). The appropriate identification code for each Tranche or series allocated by Euroclear and Clearstream, Luxembourg will be specified in the relevant Final Terms. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium.

The address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg. In the case of Italian Certificates and/or Italian Bonds cleared through Monte Titoli S.p.A., the circulation of Italian Certificates will be dematerialised and centralised with Monte Titoli S.p.A., pursuant to the Italian legislative decree no. 213/1998 as amended and all subsequent implementing provisions. The Italian Certificates and/or Italian Bonds will be freely transferable by way of book entries on the accounts registered on the settlement system of Monte Titoli S.p.A. The address of Monte Titoli S.p.A. is Via Mantegna, I- 620154 Milano.

#### **The EU Credit Rating Agencies Regulation**

The Guarantor has a senior debt rating from Standard & Poor's of A+ (outlook stable), Moody's of A2 (outlook negative) and of Fitch A+ (outlook stable).

Standard & Poor's Credit Market Services Europe Limited, Moody's France SAS and Fitch Ratings Ltd. are established in the European Union and have applied to be registered under the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on "credit rating agencies, as amended from time to time (the "CRA Regulation").

The European Securities and Market Association (ESMA) is obliged to maintain on its website a list of credit rating agencies registered in accordance with the CRA Regulation. This list must be updated within 5 working days of ESMA's adoption of any decision to withdraw the registration of a credit rating agency under the CRA Regulation.

#### **No Significant or Material Adverse Change**

See page 69 and 72 concerning the Issuer and page 82 and 83 concerning the Guarantor.

#### **Legal and arbitration proceedings**

See page 71 concerning the Issuer and page 83 concerning the Guarantor.

#### **Auditors of the Issuer**

See page 67.

#### **Auditors of the Guarantor**

See page 73.

## CHAPTER 2 - NOTES (INCLUDING MEDIUM TERM NOTES)

### PART 1 – GENERAL TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of Notes to be issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor (the “General Conditions”) which will be incorporated by reference into each global Note. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following General Conditions, replace or modify the following General Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be incorporated into, or attached to, each global Note.*

This Note is one of a series of Notes issued by ING Belgium International Finance S.A. (the “Issuer”), pursuant to the Agency Agreement (as defined below). References herein to the “Notes” shall be references to the Notes of this Series (as defined below) and shall mean units of the lowest Specified Denomination in the Specified Currency. References herein to the “Notes” shall also include Notes issued in unitized form (“Units”), and the Specified Denomination of a Unit shall be the Issue Price per Unit as specified in the relevant Final Terms.

Where the Notes qualify as notes which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the Electronic Bond Market (“MOT”) or on any other Italian regulated or unregulated market, all references to the “Notes” shall be deemed to be references to Italian bonds (the “Italian Bonds”). References herein to “Italian Bonds” shall be references to any Tranche of Notes designated by the Issuer as “Italian Bonds” in the applicable Final Terms.

Where the Notes qualify as “securitised derivatives” (as defined in Article 2.2.19 of the Rules of the Markets Organised and Managed by Borsa Italiana S.p.A.) and/or as “certificates” (as defined in Article 2 Section 1(g) of Consob Regulation No. 11971/1999) to be offered in Italy and/or which are admitted to trading, or for which an application for admission to trading has been made or will be made, on the Italian Stock Exchange on the market for securitised derivative financial instruments (“SeDeX”) or on any other Italian regulated or unregulated market (the SedeX or any other Italian regulated or unregulated market, each an “Italian Market”), all references to “Notes” shall be deemed to be references to Italian certificates (the “Italian Certificates”). References herein to “Italian Certificates” shall be references to any Tranche of Notes designated as “Italian Certificates” in the applicable Final Terms.

The Notes have the benefit of an amended and restated agency agreement dated as of 29 June 2012 (as modified, supplemented and/or restated as at the Issue Date, the “**Agency Agreement**”) and made among the Issuer, ING Belgium S.A. (as “Guarantor”, “Agent” (which expression shall include any successor agent) and “Paying Agent” (which expression shall include any additional or successor paying agents)) and ING Luxembourg S.A. (as “Fiscal Agent”, “Principal Paying Agent” and “Luxembourg Listing Agent” and “Paying Agent”).

Any reference herein to “Noteholders” shall mean the holders of the Notes or, in relation to the Italian Bonds, the holders of the Italian Bonds (“Italian Bondholders”), or, in relation to the Italian Certificates, the holders of the Italian Certificates (“Italian Certificateholders”), and shall, in relation to any Notes represented by a global Note, be construed as provided below.

The Italian Bonds and Italian Certificates will be registered in uncertificated book entry form with either an Italian Central Securities Depository, which is expected to be Monte Titoli S.p.A., via Mantegna, 6, 20154 Milan, Italy (“Monte Titoli”), and/or any additional or alternative clearing system(s) pursuant to the rules of such clearing system(s) specified in the applicable Final Terms. Italian Bonds and Italian

Certificates registered in Monte Titoli are negotiable instruments and not subject to any restrictions on free negotiability under Italian law.

The Final Terms for this Note attached hereto or applicable hereto or incorporated herein (as the case may be) supplement the General Conditions and may specify other conditions which shall, to the extent so specified or to the extent inconsistent with these General Conditions, replace or modify the General Conditions for the purposes of this Note. References herein to the “applicable Final Terms” are to the Final Terms attached hereto or applicable hereto or incorporated herein (as the case may be).

As used herein, “Tranche” means Notes which are identical in all respects (including as to listing) and “Series” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) are identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the Final Terms applicable to this Note may be obtained from and are available for inspection at the specified offices of each of the Agent and the Luxembourg Paying Agent and from the Issuer save that Final Terms relating to a Note for which a prospectus is not required to be published in accordance with the Prospectus Directive, as defined elsewhere, will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent or the Issuer (as the case may be). Requests for such documents from the Issuer should be directed to it at the registered office of the Issuer or the Guarantor. The Noteholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them.

The Guarantor shall undertake the duties of calculation agent (the “Calculation Agent”) in respect of the Notes unless another entity is so specified as calculation agent in the applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant Notes, include such other specified calculation agent.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the General Conditions unless the context otherwise requires or unless otherwise stated.

## **1 Form, Denomination and Title**

The Notes are in bearer form (“Bearer Notes”), in the currency in which payment in respect of the Notes is to be made (the “Specified Currency”) and in the denomination per Note specified to be applicable to the Notes (the “Specified Denomination”), all as specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination. Units shall not have a Specified Denomination.

This Note is a Senior Note.

This Note may be a Note bearing interest on a fixed rate basis (“Fixed Rate Note”), a Note bearing interest on a floating rate basis (“Floating Rate Note”), a Note issued on a non-interest bearing basis (“Zero Coupon Note”) or a Note in respect of which interest is or may be payable in one or more Specified Currencies other than the Specified Currency in which it is denominated (“Dual Currency Interest Note”), a Note in respect of which interest is determined on another basis (“Variable-linked Interest Note”) or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be a Note redeemable in instalments (“Instalment Note”), a Note to be issued on a partly paid basis (“Partly Paid Note”), a Note in respect of which principal is or may be payable in one or more Specified Currencies other than the Specified Currency in which it is denominated (a “Dual Currency Redemption Note”) or a Note in respect of which principal is determined on another basis or a combination of any of the foregoing, depending upon the Redemption/Payment Basis shown in the applicable Final



Terms.

For so long as any of the Notes is represented by a Global Bearer Note held on behalf of Euroclear Bank, S.A./N.V. (“Euroclear”) and/or Clearstream Banking, *société anonyme* (“Clearstream, Luxembourg”), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly). Notes which are represented by a global Note held by a common depositary or common safekeeper for Euroclear and/or Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

In case of Italian Bonds or Italian Certificates, where Monte Titoli is the relevant clearing system, the ownership of the Italian Bonds or Italian Certificates will be transferred in accordance with dematerialised and book-entry securities regulations contained under the Italian Legislative Decree No 58 of 24 February 1998, as amended, and the rules of such clearing system. In this case, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Italian Bonds and/or Italian Certificates (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of such securities standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall (except as otherwise required by law) be treated for all purposes as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary.

References to Euroclear, Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system (which may include Monte Titoli) approved by the Issuer and the Agent.

The applicable Final Terms will specify that the Permanent Bearer Global Note will not be exchangeable for Definitive Notes in bearer form.

## **2 Status of the Senior Notes**

The Senior Notes are direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

## **3 Interest**

### **(a) Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest so specified payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the General Conditions, “Fixed Interest Period” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall (subject to the following sentence) be calculated by applying the Rate of Interest to each Specified Denomination (or the Calculation Amount if one is specified to be applicable in the applicable Final Terms), multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. If a Calculation Amount is specified to be applicable in the applicable Final Terms, the amount of interest payable in respect of a Note shall be calculated by multiplying the amount of interest (determined in the manner provided above) for the Calculation Amount by the amount by which the Calculation Amount must be multiplied to reach the Specified Denomination of such Note without any further rounding. If, however, the applicable Final Terms specify that Aggregate Nominal Amount Determination is applicable, then if interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to the outstanding aggregate nominal amount of the relevant series of Notes, multiplying the resulting sum by the applicable Day Count Fraction, dividing the resultant figure by the number of such Notes, and rounding the resultant figure(s) down to the nearest sub-unit of the relevant Specified Currency.

“Day Count Fraction” means, in respect of the calculation of an amount of interest in accordance with this Condition 3(a) of the General Conditions:

- (i) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “Accrual Period”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (i) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
    - (ii) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” or Bond Basis is specified in the applicable Final Terms, the number of days in the relevant Accrual Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \langle [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1) \rangle / 360$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Accrual Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Accrual Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Accrual Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Accrual Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Accrual Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.

In the General Conditions:

“Determination Period” means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

“sub-unit” means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

**(b) *Interest on Floating Rate Notes or Variable-linked Interest Notes***

**(i) Interest Payment Dates**

Each Floating Rate Note and Variable-linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an “Interest Payment Date”) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an “Interest Payment Date”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the General Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 3(b)(i)(B) of the General Conditions, the Floating Rate Convention, such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding day that

is a Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or

- (2) the Following Business Day Convention (Adjusted), such Interest Payment Date shall be postponed to the next day that is a Business Day; or
- (3) the Following Business Day Convention (Unadjusted), (i) for the purpose of calculating the amount of interest payable under the Notes, such Interest Payment Date shall not be adjusted and (ii) for any other purpose, such Interest Payment Date shall be postponed to the next day that is a Business day; or
- (4) the Modified Following Business Day Convention (Adjusted), such Interest Payment Date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding day that is a Business Day; or
- (5) the Modified Following Business Day Convention (Unadjusted), (i) for the purpose of calculating the amount of interest payable under the Notes, such Interest Payment Date shall not be adjusted and (ii) for any other purpose, such Interest Payment Date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding day that is a Business Day; or
- (6) the Preceding Business Day Convention (Adjusted), such Interest Payment Date shall be brought forward to the immediately preceding day that is Business Day; or
- (7) the Preceding Business Day Convention (Unadjusted), (i) for the purpose of calculating the amount of interest payable under the Notes, such Interest Payment Date shall not be adjusted and (ii) for any other purpose, such Interest Payment Date shall be brought forward to the immediately preceding day that is a Business Day.

In the General Conditions, “Business Day” means a day which is both:

- (A) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars shall be Sydney and if New Zealand dollars, Auckland and Wellington) or (2) in relation to interest payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto (the “TARGET System”) is operating, and,
  - (B) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms;
- (ii) Rate of Interest for Floating Rate Notes
- The Rate of Interest payable from time to time in respect of the Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.
- (iii) ISDA Determination

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (iii), “ISDA Rate” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions (as amended and updated as at the Issue Date of the first Tranche of the Notes) as published by the International Swaps and Derivatives Association, Inc. (the “ISDA Definitions”) under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is the period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate (“LIBOR”) or on the Euro-zone inter-bank offered rate (“EURIBOR”) for a currency, the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (iii), “Floating Rate”, “Calculation Agent”, “Floating Rate Option”, “Designated Maturity” and “Reset Date” have the meanings given to those terms in the ISDA Definitions.

(iv) Screen Rate Determination for Floating Rate Notes

(a) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (B) the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more 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 Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

(b) If the Relevant Screen Page is not available or if, in the case of sub-paragraph (iv)(a)(A) above, no such offered quotation appears or, in the case of sub-paragraph (iv)(a)(B) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph, the Agent shall request each of the Reference Banks (as defined below) to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with such offered quotations, the Rate of Interest for such Interest Period shall be the arithmetic mean (rounded if necessary to the fourth decimal place with 0.00005 being rounded upwards) of such offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

(c) If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with such offered quotations as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fourth decimal place, with 0.00005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for the relevant Interest Period by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with such offered rates, the offered rate for deposits in the Specified Currency for the relevant Interest Period, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for the relevant Interest Period, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for such purpose) inform(s) the Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period).

(d) In this paragraph (iv), the expression “Reference Banks” means, in the case of sub-paragraph (iv)(a)(A) above, those banks whose offered rates were used to determine such quotation when such quotation last appeared on the Relevant Screen Page and, in the case of of sub-paragraph (iv)(a)(B) above, those banks whose offered quotations last appeared on the Relevant Screen Page when no fewer than three such offered quotations appeared.

(e) If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(v) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specify a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraphs (ii), (iii) and (iv) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specify a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraphs (ii), (iii) and (iv) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(vi) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent, in the case of Floating Rate Notes, will, at or as soon as practicable after each

time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the “Interest Amount”) payable on the Floating Rate Notes in respect of each Specified Denomination (or the Calculation Amount if one is specified to be applicable in the applicable Final Terms) for the relevant Interest Period. Each Interest Amount or any other amount of interest payable in respect of any Note for any period shall (subject to the following sentence) be calculated by applying the Rate of Interest to the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the applicable Final Terms), multiplying the resulting sum by the applicable Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. If a Calculation Amount is specified to be applicable in the applicable Final Terms, the amount of interest payable in respect of a Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination of such Note without any further rounding. If, however, the applicable Final Terms specify that Aggregate Nominal Amount Determination is applicable, then each Interest Amount or any other amount of interest payable in respect of any Note for any period shall be calculated by applying the Rate of Interest to the outstanding aggregate nominal amount of the relevant series of Notes, multiplying the resulting sum by the applicable Day Count Fraction, dividing the resultant figure by the number of such Notes, and rounding the resultant figure(s) down to the nearest sub-unit of the relevant Specified Currency.

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Floating Rate Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the “Calculation Period”) in accordance with this Condition 3(b) of the General Conditions:

- (A) if “Actual/Actual” or “Actual/Actual (ISDA)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (i) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (ii) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (B) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365;
- (C) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (D) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Calculation Period divided by 360;
- (E) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \left\langle [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1) \right\rangle / 360$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30.

- (F) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \langle [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1) \rangle / 360$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D<sub>2</sub> will be 30; and

- (G) if “30E/360 (ISDA)” is specified in the applicable Final Terms, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \langle [360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1) \rangle / 360$$

where:

“Y<sub>1</sub>” is the year, expressed as a number, in which the first day of the Calculation Period falls;

“Y<sub>2</sub>” is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“M<sub>1</sub>” is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;



“M<sub>2</sub>” is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

“D<sub>1</sub>” is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

“D<sub>2</sub>” is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

(vii) Notification of Rate of Interest and Interest Amount

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being admitted to trading or listed and notice thereof to be published in accordance with Condition 10 of the General Conditions as soon as possible after their determination but in no event later than the fourth London Business Day (as defined below) thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being admitted to trading or listed and to the Noteholders in accordance with Condition 10 of the General Conditions. For the purposes of Condition 3(b) (vii) of the General Conditions, the expression “London Business Day” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(viii) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Agent or, if applicable, the Calculation Agent, as the case may be, the Luxembourg Paying Agent and all Noteholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor or the Noteholders shall attach to the Agent or, if applicable, the Calculation Agent, the Issuer or the Luxembourg Paying Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(ix) Interest on Variable-linked Interest Notes

The rate or amount of interest payable on Variable-linked Interest Notes shall be determined in the manner specified in the applicable Final Terms and may, without limitation, depend upon whether the level of a reference item is (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or “lower than or equal to”, the relevant barrier(s), as specified in the applicable Final Terms.

(c) ***Interest on Dual Currency Interest Notes***

The rate or amount of interest payable shall be determined in the manner specified in the applicable Final Terms.

(d) ***Interest on Partly Paid Notes***

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes),

interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

**(e) *Accrual of Interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (i) the date on which all amounts due in respect of such Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given in accordance with Condition 10 of the General Conditions or individually.

**(f) *Interest Rates Positive***

Unless specified otherwise in the applicable Final Terms, the rate of interest payable in respect of the Notes shall never be less than zero. If the formula or other method for determining a rate of interest applicable to the Notes would result in a negative figure, the applicable rate of interest will be deemed to be zero.

**4 *Payments***

**(a) *Method of Payment***

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by transfer to an account in the relevant Specified Currency (which, in the case of payment in Japanese Yen to a non-resident of Japan, shall be a non-resident account) maintained and specified by the payee with, or by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney and if New Zealand dollars, Auckland and Wellington); and
- (ii) payments in euro will be made by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

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

**(b) *Presentation of Notes***

Payments of principal and interest (if any) will (subject as provided below) be made in the manner provided in paragraph (a) above and otherwise in the manner as specified in the relevant global Bearer Note (in the case of a global Bearer Note not in New Global Note form, against presentation or surrender, as the case may be, of such global Bearer Note at the specified office of the Principal Paying Agent or the Paying Agent, and in the case of a global Bearer Note in New Global Note form, by payment to or to the order of the common safekeeper for such global Bearer Note). A record of each payment made against presentation or surrender of any such global Bearer Note not in New Global Note form, distinguishing between any payment of principal and any payment of interest, will be made on such global Bearer Note by such Paying Agent and such record shall be *prima facie* evidence that the payment in question has been made.

If a global Bearer Note is in New Global Note form, the Issuer shall procure that details of each payment of principal and interest (if any) made in respect of Notes represented by the New Global Note shall be entered *pro rata* in the records of the relevant clearing system and, in the case of

payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the global Bearer Note will be reduced accordingly. Each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

Where a global Bearer Note is a New Global Note, the Issuer shall procure that any exchange, payment, cancellation, exercise of any option or any right under the Notes, as the case may be, shall be entered in the records of the relevant clearing systems and upon any such entry being made, the nominal amount of the Notes represented by such global Bearer Note shall be adjusted accordingly.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer in respect of any payments due on that global Note.

Payments of principal, interest and/or any other amount payable in respect of the Italian Bonds and Italian Certificates shall be made through Euroclear, Clearstream, Luxembourg and/or any additional or alternative clearing system(s) approved by the Issuer and the Agent or to its order for credits to the accounts of the relevant accountholders of such clearing system(s) in accordance with the rules of the relevant clearing system(s).

**(c) *Payment Day***

Unless otherwise specified in the applicable Final Terms in relation to a Tranche of Notes, if the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes (unless otherwise specified in the applicable Final Terms), "Payment Day" means any day which (subject to Condition 7 of the General Conditions) is:

- (i) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars shall be Sydney and if New Zealand dollars Auckland and Wellington) or (2) in relation to any sum payable in euro, a day on which the TARGET System is operating; and,
- (ii) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) the relevant place of presentation; and
  - (B) any Additional Financial Centre specified in the applicable Final Terms.

Notwithstanding anything else in these General Conditions, in the event that an Interest Payment Date is brought forward under Condition 3(b) of the General Conditions through the operation of a Business Day Convention in circumstances which were not reasonably foreseeable by the Issuer, the relevant Payment Day shall be the first Payment Day after the Interest Payment Date as so brought

forward.

**(d) Interpretation of Principal**

Any reference in the General Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) the amount at which each Note will be redeemed on the Maturity Date of the Notes (“Final Redemption Amount”);
- (ii) the redemption amount in respect of Notes payable on redemption for taxation reasons or following an Event of Default (“Early Redemption Amount”);
- (iii) the Optional Redemption Amount(s) (if any) of the Notes;
- (iv) in relation to Instalment Notes, the Instalment Amounts;
- (v) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 5(e)(iii)); and
- (vi) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

**5 Redemption and Purchase**

**(a) At Maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

Save as specified in the applicable Final Terms, if the Italian Certificates are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, the following provisions shall apply and any other General Condition providing otherwise with respect thereto shall not apply.

Unless otherwise specified in the applicable Final Terms, each Series of Italian Certificates will be redeemed on the Maturity Date, without any prior notice having to be delivered by the relevant Italian Certificateholder. Redemption of the Italian Certificates in accordance with this Condition 5 (a) of the General Conditions shall be without any separate charge to such Italian Certificateholder.

Each Italian Certificateholder may renounce the redemption at Maturity Date, in whole or in part, by delivering a renouncement notice (the “Renouncement Notice”) that must be sent via fax to and received by the Paying Agent and/or any additional Paying Agent specified in the applicable Final Terms by no later than 10:00 CET (or such other time as may be specified in the Final Terms) on the Renouncement Notice Date indicated in the applicable Final Terms.

The Renouncement Notice shall specify:

- (i) the Series, the ISIN code and the number of Italian Certificates held by the Italian Certificateholder;
- (ii) the number of Italian Certificates – which must be equal to the Minimum Transferable Amount specified in the applicable Final Terms or an integral multiple thereof - in respect of which the Renouncement Notice is given by the Italian Certificateholder;
- (iii) the number of the account of the Italian Certificateholder where the Italian Certificate(s) is/are that is the subject of the Renouncement Notice is/are held;
- (iv) name, address and telephone and fax number of the Italian Certificateholder.

A form of the Renouncement Notice will be attached to the Final Terms and available from the Paying Agent.

The Renouncement Notice shall be deemed received by the Paying Agent at the time indicated on the facsimile transmission report.

An incomplete Renouncement Notice or a Renouncement Notice which has not been timely sent, will be deemed void and ineffective. Any assessment relating to the validity, both from a substantial and a formal perspective, of the Renouncement Notice will be performed by the relevant Paying Agent and will be final and binding for both the Issuer and the Italian Certificateholder. Any Renouncement Notice which, in accordance with the above, is deemed to be incomplete will be considered void and ineffective.

In the event that such Renouncement Notice is subsequently amended in such a way that is satisfactory to the Paying Agent, such Renouncement Notice, as amended, will be deemed as a new Renouncement Notice filed at the time such amendment is received by the Paying Agent.

When the Paying Agent deems the Renouncement Notice to be invalid or incomplete, the said Paying Agent undertakes to notify such invalidity or incompleteness to the relevant Italian Certificateholder as soon as practicable.

The Italian Certificateholder, by way of sending the Renouncement Notice, irrevocably exercises the right to waive the redemption at the Maturity Date of the relevant Italian Certificates. If a duly completed Renouncement Notice is delivered prior to the Renouncement Notice Date, the relevant Italian Certificateholder will not be entitled to receive any amounts payable by the Issuer in respect of the relevant Italian Certificates and the Issuer shall have no further liability in respect of such Italian Certificates. Renouncement Notices may not be withdrawn after their receipt by the Paying Agent. After a Renouncement Notice is sent, the Italian Certificates to which it refers may no longer be transferred.

**(b) *Redemption for Tax Reasons***

If the Issuer, on the occasion of the next payment due in respect of the Notes, would be required to withhold or account for tax in respect of the Notes, then the Issuer shall forthwith give notice of such circumstance to Noteholders. In such event, the Issuer may, but shall not be obliged to, on giving not more than 30 nor less than 15 days' notice to the Noteholders (or such other period of notice as is specified in the applicable Final Terms), and upon expiry of such notice, redeem all but not some of the Notes at their Early Redemption Amount.

Notwithstanding the foregoing, if any of the taxes referred to above arises (i) by reason of any Noteholder's connection with any particular jurisdiction otherwise than by reason only of the holding of any Note or receiving or being entitled to principal or interest in respect thereof; or (ii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax, then to the extent it is able to do so, the Issuer shall deduct such taxes from the amounts payable to such Noteholder and all other Noteholders shall receive the due amounts payable to them.

**(c) *Redemption at the Option of the Issuer (Issuer Call)***

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice (or such other period of notice as is specified in the applicable Final Terms) to the Noteholders in accordance with Condition 10 of the General Conditions; and
  - (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Agent,
- (both of which notices shall be irrevocable) redeem all or some only of the Notes then outstanding

on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount (if any) or not more than the Maximum Redemption Amount (if any), in each case as specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed (“Redeemed Notes”) will 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) not more than 30 days prior to the date fixed for redemption (or such other period as is specified in the applicable Final Terms) (such date of selection being hereinafter called the “Selection Date”). The aggregate nominal amount of Redeemed Notes shall be equal to the balance of the Redeemed Notes. No exchange of the global Note representing the Notes will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 10 of the General Conditions at least 5 days prior to the Selection Date.

**(d) *Redemption at the Option of the Noteholders (Noteholder Put)***

If Noteholder Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 10 of the General Conditions not less than 15 nor more than 30 days’ notice (or such other period of notice as is specified in the applicable Final Terms) (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, within the notice period concerned, give notice of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg in a form acceptable to Euroclear and Clearstream, Luxembourg. In the case of Italian Bonds and the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian market, the notice will be attached to the Final Terms (a “Put Notice”). Such notice will indicate the procedure to be followed by the Holders of the Italian Bonds and/or the Italian Certificates wishing to exercise their right.

Any Put Notice given by a holder of any Note 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 of the General Conditions.

**(e) *Early Redemption Amounts***

For the purpose of paragraph (b) above and Condition 8 of the General Conditions, each Note will be redeemed at the Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to its nominal amount, at the Final Redemption Amount thereof, together with interest (if any) accrued to (but excluding) the date of redemption; or
- (ii) in the case of a Note (other than a Zero Coupon Note or a Note to which paragraph (iv) below applies, but including an Instalment Note and a Partly Paid Note) with a Final Redemption

Amount which is or may be less or greater than its nominal amount or which is payable in a Specified 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 nominal amount, together in each case with interest (if any) accrued to (but excluding) the date of redemption; or

- (iii) in the case of a Zero Coupon Note (other than a Zero Coupon Note to which paragraph (iv) below applies), at an amount (the “Amortised Face Amount”) equal to the sum of:
  - (A) the Reference Price; and
  - (B) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date of the first Tranche of Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, it shall be made (A) in the case of a Zero Coupon Note other than a Zero Coupon Note payable in euro, on the basis of a 360-day year consisting of 12 months of 30 days each or (B) in the case of a Zero Coupon Note payable in euro, on the basis of the actual number of days elapsed divided by 365 (or, if any of the days elapsed falls in a leap year, the sum of (x) the number of those days falling in a leap year divided by 366 and (y) the number of those days falling in a non-leap year divided by 365) or (in either case) on such other calculation basis as may be specified in the applicable Final Terms; or

- (iv) in the case of a Note for which the applicable Final Terms provide for the Early Redemption Amount to be equal to the Fair Market Value of the Note, the Calculation Agent shall calculate the Early Redemption Amount in its sole discretion, acting reasonably, by determining the fair market value of the Note two Business Days (or such other period as is specified in the applicable Final Terms) prior to (x) the date fixed for redemption or (y) (as the case may be) the date upon which such Note becomes due and payable (unless specified otherwise in the Final Terms, taking into account the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions) and provided that such costs, expenses, fees or taxes shall not be taken into account with respect to the Italian Bonds and the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market).

**(f) *Instalments***

Instalment Notes will be repaid in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

**(g) *Partly Paid Notes***

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition of the General Conditions and the applicable Final Terms.

**(h) *Purchases***

The Issuer and the Guarantor may at any time purchase Notes at any price in the open market or otherwise. Such Notes may be held, re-issued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

**(i) Cancellation**

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above, shall be forwarded to the Agent and cannot be re-issued or resold.

**(j) Late Payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 8 of the General Conditions is improperly withheld or refused, the amount due and payable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above (if such Condition is stated to be applicable to the Note in the applicable Final Terms) as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 10 of the General Conditions.

**(k) Redemption – Other**

The Issuer may at any time, on giving not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 10 of the General Conditions, redeem all but not some only of the Notes for the time being outstanding at their Early Redemption Amount if, prior to the date of such notice, 90 per cent. or more in nominal amount of the Notes hitherto issued have been redeemed.

In addition, the Issuer may (i) at any time, on giving not less than 15 nor more than 30 days' notice (or such other period of notice as specified in the applicable Final Terms) to the Noteholders in accordance with Condition 10 of the General Conditions, redeem the Notes for the time being outstanding on such other terms as may be specified in the applicable Final Terms and (ii) issue Notes which may be redeemed in other circumstances specified in the applicable Final Terms.

Unless specified otherwise in the applicable Final Terms, the Final Redemption Amount or the Early Redemption Amount (as the case may be) payable in respect of the Notes shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Unless specified otherwise in the applicable Final Terms, the Final Redemption Amount or the Early Redemption Amount (as the case may be) payable in respect of the Notes shall never be less than zero. If the formula or other method for determining the Final Redemption Amount or the Early Redemption Amount (as the case may be) applicable to the Notes would result in a negative figure, the Final Redemption Amount or the Early Redemption Amount (as the case may be) will be deemed to be zero.

**6 Taxation**

Neither the Issuer or the Guarantor shall be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, presentation or surrender for payment or enforcement of any Note and all payments made by the Issuer or the Guarantor shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

**Condition relating to FATCA**



Notwithstanding any other provision in these General Conditions, the Issuer and the Guarantor shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions) or pursuant to any agreement with the U.S. Internal Revenue Service ("FATCA withholding"). The Issuer and the Guarantor will have no obligation to pay additional amounts or otherwise indemnify a holder/an investor for any FATCA withholding deducted or withheld by the Issuer, the Guarantor, any Paying Agent or any other party.

## **7 Prescription**

Claims against the Issuer and/or the Guarantor for payments in respect of the Notes will become void unless made within a period of five years after the date on which such payment first becomes due.

## **8 Events of Default relating to the Notes**

If any one or more of the following events (each an "Event of Default") shall have occurred and be continuing in respect of the Notes:

- (i) default is made for more than 30 days in the payment of interest or principal in respect of the Notes; or
- (ii) the Issuer or the Guarantor fails to perform or observe any of their other obligations under the Notes and such failure has continued for the period of 60 days next following the service on the Issuer or Guarantor of notice requiring the same to be remedied; or
- (iii) the Issuer or the Guarantor is declared bankrupt or the Guarantor is granted a moratorium; or
- (iv) an order is made or an effective resolution is passed for the winding up or liquidation of the Issuer or the Guarantor unless this is done in connection with a merger, consolidation or other form of combination with another company, the terms of which merger, consolidation or combination (A) have the effect of the emerging or such other surviving company assuming all obligations contracted for by the Issuer or the Guarantor in connection with the Notes or (B) have previously been approved by an Extraordinary Resolution of the Noteholders,

then any holder of such Notes may, by written notice to the Issuer or the Guarantor at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Note held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 5(e) of the General Conditions), without presentment, demand, protest or other notice of any kind, provided that such right to declare Notes due and payable shall terminate if the situation giving rise to it has been cured before the relevant notice has become effective.

## **9 Agent and Paying Agents**

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of the Agent or any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which the Agent or any Paying Agent acts, provided that:

- (i) so long as the Notes are admitted to trading or listed on any stock exchange or admitted to trading or listed by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange; in particular so long as the Notes are listed in the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of such exchange so require, there will be a Paying and Listing Agent with a specified office in Luxembourg;

- (ii) so long as there are Notes outstanding that have been offered publicly in Belgium, there will be a Paying Agent in Belgium;
- (iii) there will at all times be an Agent;
- (iv) there will at all times be a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any law implementing European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000.

## 10 Notices

All notices regarding the Notes shall be published if and for so long as the Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and the rules of such exchange so require, either in a daily newspaper of general circulation in Luxembourg (expected to be *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). Any such notice will be deemed to have been given on the date of the first publication in the newspaper and/or on the website in which such publication is required to be made.

Notices relating to Notes publicly sold in Belgium will be made available on the website of the Guarantor ([www.ingmarkets.com](http://www.ingmarkets.com)). Notices relating to Notes publicly sold in Luxembourg will be made available on the website of the Luxembourg Listing and Paying Agent ([www.ing.lu](http://www.ing.lu)) at issuance and after issuance on the website [www.ingmarkets.com](http://www.ingmarkets.com). Notices relating to Notes publicly sold in Italy will be made available on the website [www.ingmarkets.com](http://www.ingmarkets.com) and on the website(s) of the Italian Lead Manager and/or Italian Distributor(s).

There may be substituted for such publication in any newspaper or website the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or the other clearing system for communication by them to the Noteholders provided that, for so long as the Notes are listed on a stock exchange and the rules of that stock exchange (or of any other relevant authority) so require, such notice will also be published in a daily newspaper of general circulation in the place or places required by the rules of that stock exchange (or of any other relevant authority). Any such notice delivered on or prior to 4.00 p.m. (local time) on a Business Day in the city in which it is delivered will be deemed to have been given to the holders of the Notes on such Business Day. A notice delivered after 4.00 p.m. (local time) on a Business Day in the city in which it is delivered will be deemed to have been given to the holders of the Notes on the next following Business Day in such city.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, with the Principal Paying Agent. Such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg and/or any other clearing system, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg and/or the other clearing system, as the case may be, may approve for this purpose.

## 11 Meeting of Noteholders, Modification and Waiver

The Notes are governed by Luxembourg law unless specified otherwise in the applicable Final Terms. Under Luxembourg law, Noteholders will belong to a *masse* (the "*Masse*") created, among other things, for the representation of their common interests pursuant to the provisions of articles 86 to 94-8 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended (the "Luxembourg Company Law").

The following is a summary of the relevant provisions of the Luxembourg Company Law. A general meeting of the Noteholders (the "*Masse Meeting*") or a court order may appoint and determine the powers of one or more representatives (the "*Representatives*"). Where Representatives have been appointed, Noteholders may no longer individually exercise their rights against the Issuer. A *Masse Meeting* may be called at any time by the Representatives (if any), the Board of Directors, the *Directoire* of the Issuer, as the

case may be, or the auditors or the board of auditors of the Issuer. The Representatives of the Issuer, provided an advance on expenses has been paid to them by the Issuer, or the Board of Directors or the auditors of the Issuer must convene the *Masse* Meeting if called upon to do so by holders of Notes representing 5 per cent. or more of the Notes outstanding. Meetings of Noteholders will be convened by notices published twice at at least eight days' interval and eight days prior to the meeting in the *Memorial* and in one Luxembourg newspaper. All *Masse* Meetings shall be held at the place specified in the notice calling the meeting. All Noteholders have the right to attend and vote at the *Masse* Meeting either personally or by proxy. The voting rights attached to the Notes are equal to the proportion of the principal amount of the Notes represented by the principal amount of the Note or Notes held by the relevant holder. Each Note gives the right to at least one vote. A *Masse* Meeting may be called to approve certain changes in the rights of the Noteholders and may, generally, determine any measures designed to ensure the defence of interests or the exercise of the rights of the Noteholders in accordance with the provisions of the Luxembourg Company Law. A *Masse* Meeting may deliberate validly without a quorum and by vote of a simple majority of Noteholders attending or represented at such *Masse* Meeting on the appointment and revocation of the Representatives, the revocation of special representatives appointed by the Issuer and the approval of any measures of a conservatory nature in the general interests of the Noteholders. On all other matters (except in respect of certain matters, including a change in the nationality of the Issuer, where unanimous consent is required) the *Masse* Meeting may deliberate validly on first convocation only if Noteholders present or represented hold at least 50 per cent. of the Notes then outstanding. The Board of Directors or the *Directoire* of the Issuer, as the case may be, or Noteholders representing 20 per cent. of the Notes then outstanding may require the adjournment of the meeting for four weeks. A new meeting must be called for by convening notices to be published twice within a time period of 15 days and 15 days before the second meeting in two Luxembourg newspapers and in the *Memorial*. On second convocation no quorum is required (except in respect of certain matters, including a change in the nationality of the Issuer, where unanimous consent is required). Decisions at such meetings shall taken by a majority of  $66 \frac{2}{3}$  per cent. of the votes cast by Noteholders attending such meetings or represented thereto .

The Agent and the Issuer may agree, without the consent of the Noteholders, to any modification of the Notes which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated:

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 10 of the General Conditions as soon as practicable thereafter.

## **12 Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having the same terms and conditions as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **13 Governing Law and Submission to Jurisdiction**

The Notes and any non-contractual obligations out of or in connection with them shall be governed by and shall be construed in accordance with the laws of the Grand Duchy of Luxembourg.

If necessary, the Noteholders shall enforce their rights against the Issuer and/or the Guarantor in the courts of the Grand Duchy of Luxembourg and/or (in the case of the Guarantor) the Kingdom of Belgium, to the non-exclusive jurisdiction of which the Issuer and the Guarantor irrevocably submit.

For the purpose of any action or proceeding brought in the Grand Duchy of Luxembourg in connection with the Notes, the Guarantor hereby elects domicile at the registered office of the Principal Paying Agent for all acts, formalities or procedures.

**14 Determinations by the Calculation Agent and/or the Issuer and/or the Guarantor**

Save as follows from the General conditions in respect of Italian Bonds or Italian Certificates, for the purposes of the Notes, any determinations, calculations or other decisions made by the Calculation Agent and/or the Issuer and/or the Guarantor under or pursuant to the terms of the Notes shall be made in its/ their sole and absolute discretion. All such determinations, calculations or other decisions of the Calculation Agent and/or the Issuer and/or the Guarantor shall (save in the case of manifest error) be final, conclusive and binding on all parties, and none of the Calculation Agent, the Issuer or the Guarantor shall have any liability to any person therefore.

**15 FX and Benchmark Notes****(a) FX Notes**

The following provisions of this Condition 15(a) of the General Conditions shall apply to the Notes if the FX Provisions are specified to be applicable in the applicable Final Terms.

**(i) FX Market Disruption Event**

If the Issuer determines that an FX Market Disruption Event has occurred or is continuing on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate, the calculation of any amount which is to be determined by reference to the Primary FX Rate on such Scheduled Valuation Date or on such other date (for the purposes of this Condition 15(a) of the General Conditions, the “Relevant FX Amount”) shall be postponed until the next Business Day on which there is no FX Market Disruption Event.

If, however, an FX Market Disruption Event is in existence for a consecutive number of calendar days as is specified as Maximum Period of Postponement in the applicable Final Terms following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate, then the Fallback FX Rate (if one is specified in the applicable Final Terms) on the first Business Day following the expiry of that period shall be used to determine the Relevant FX Amount. However, if the Fallback FX Rate is not available on such Business Day, or if no Fallback FX Rate is specified in the applicable Final Terms, the Calculation Agent shall determine the Relevant FX Amount as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

**(ii) Unscheduled Holiday**

If the Issuer determines that an Unscheduled Holiday has occurred or is continuing on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate, the calculation of the Relevant FX Amount shall be postponed until the next Business Day on which no Unscheduled Holiday occurs, provided that no such postponement shall occur for a period longer than a consecutive number of calendar days as is specified as Maximum Period of Postponement in the applicable Final Terms following such Scheduled Valuation Date or such other date.

If, however, an Unscheduled Holiday is in existence on the day that is the last day of such period following the relevant Scheduled Valuation Date or the other relevant date on which any amount which is to be determined by reference to the Primary FX Rate, then the Primary FX Rate (if available) or the Fallback FX Rate (if the Primary FX Rate is not available and a Fallback FX Rate is specified in the applicable Final Terms) on the first day following the expiry of that period that is a Business Day or would have been but for the Unscheduled Holiday shall be used by the Calculation Agent to determine the Relevant FX Amount.

However, if neither the Primary FX Rate nor (if a Fallback FX Rate is specified in the applicable Final Terms) the Fallback FX Rate is available on such-day, the Calculation Agent shall determine the Relevant FX Amount as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

(iii) Cumulative Events

Notwithstanding anything herein to the contrary, in no event shall the period during which either (x) a calculation is postponed due to an Unscheduled Holiday or (y) a calculation is postponed due to an FX Market Disruption Event (or any combination of (x) and (y)) exceed the Maximum Period of Postponement. Accordingly, if, upon the lapse of the Maximum Period of Postponement, an Unscheduled Holiday or FX Market Disruption Event shall have occurred or be continuing, then the Primary FX Rate or (if the Primary FX Rate is not available) the Fallback FX Rate (if one is specified in the applicable Final Terms) on the first Business Day (including any day which would have been a Business Day but for the occurrence of an Unscheduled Holiday) following the expiry of the Maximum Period of Postponement shall be used by the Calculation Agent to determine the Relevant FX Amount. However, if neither the Primary FX Rate nor (if the Primary FX Rate is not available) the Fallback FX Rate (if one is specified in the applicable Final Terms) is available on that Business Day, the Calculation Agent shall determine the Relevant FX Amount as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

(iv) Relevant FX Rate Inappropriate

If, in the determination of the Calculation Agent (acting in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice), the Primary FX Rate or Fallback FX Rate used to determine the Relevant FX Amount in accordance with Condition 15(a)(i), (ii) or (iii) of the General Conditions above is inappropriate, the Calculation Agent shall determine the Relevant FX Amount as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

(v) Payment

The Relevant FX Amount will be payable two Business Days (or such other number of Business Days as is specified in the applicable Final Terms) following the day on which it is determined by the Calculation Agent in accordance with Condition 15(a)(i), (ii), (iii) of the General Conditions or (iv) above. For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of the postponement of any payment in accordance with this Condition 15(a) of the General Conditions.

**(b) Benchmark Notes**

- (i) The following provisions of this Condition 15(b) of the General Conditions shall apply to the Notes if the Benchmark Provisions are specified to be applicable in the applicable Final Terms.

If the Issuer determines that a Benchmark Market Disruption Event has occurred or is continuing on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary Benchmark, then:

- (x) if the Relevant Benchmark Amount Postponement Provisions are specified to be applicable in the Final Terms, the calculation of any amount which is to be determined by reference to the Primary Benchmark on such Scheduled Valuation Date (for the

purposes of this Condition 15(b) of the General Conditions, the “Relevant Benchmark Amount”) shall be postponed to the next Business Day on which there is no Benchmark Market Disruption Event, unless on each of the consecutive number of Business Days following such Scheduled Valuation Date or such other date as is specified as Maximum Period of Postponement in the applicable Final Terms a Benchmark Market Disruption Event occurs. In that case, the Fallback Benchmark (if one is specified in the applicable Final Terms) on the first Business Day following the expiry of that period shall be used to determine the Relevant Benchmark Amount. However, if the Fallback Benchmark is not available on such Business Day, or if no Fallback Benchmark is specified in the applicable Final Terms, the Relevant Benchmark Amount shall be determined by the Calculation Agent as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice; and

- (y) if the Relevant Benchmark Amount Postponement Provisions are not specified to be applicable in the Final Terms, the Relevant Benchmark Amount shall be determined as soon as reasonably possible by the Calculation Agent in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

(ii) **Relevant Benchmark Inappropriate**

If, in the determination of the Calculation Agent (acting in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice), the Primary Benchmark or Fallback Benchmark used to determine the Relevant Benchmark Amount in accordance with Condition 15(b)(i) of the General Conditions above is inappropriate, the Calculation Agent shall determine the Relevant Benchmark Amount as soon as reasonably possible in its sole discretion in good faith and in a commercially reasonable manner, having regard to any relevant market practice.

(iii) **Payment**

The Relevant Benchmark Amount will be payable two Business Days (or such other number of Business Days as is specified in the applicable Final Terms) following the day on which such amount is determined. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment in accordance with this Condition 15(b) of the General Conditions.

(c) ***FX Convertibility Event and FX Transferability Event***

The following provisions of this Condition 15(c) of the General Conditions shall apply to the Notes if the FX Convertibility Event Provisions and/or FX Transferability Event Provisions are specified to be applicable in the applicable Final Terms.

- (i) If (x) the FX Convertibility Event Provisions are specified to be applicable in the applicable Final Terms and the Issuer determines that an FX Convertibility Event has occurred or is continuing on any date on which the Issuer is required to make any payment in the Relevant Currency in respect of the Notes by the transfer and/or exchange of the Relevant Currency outside or within the Relevant Jurisdiction or (y) the FX Transferability Event Provisions are specified to be applicable in the applicable Final Terms and the Issuer determines that an FX Transferability Event has occurred or is continuing on any date on which the Issuer is required to make any payment in the Relevant Currency in respect of the Notes by the transfer and/or exchange of the Relevant Currency outside or within the Relevant Jurisdiction, then in either such case the Issuer shall use reasonable endeavours to pay such amount in the Relevant Currency to the Noteholder’s Relevant Currency account or, in the absence of such account or in the case of the Noteholder’s failure to notify the Issuer of the details of such account in a timely manner, to any other account as the Issuer may determine

(including, for the avoidance of doubt, an account which is or may be subject to limitations on conversion and/or repatriation) in which account any such amount shall be held for the benefit of the Noteholder. Payment of any such amount by the Issuer shall discharge the Issuer of its remaining obligations under the Notes in respect of such payment in the Relevant Currency. Should any account be opened by the Issuer for the Noteholder, such account will be opened on the normal terms and conditions of the relevant institution, and in the event any interest accrues on the amounts held in such account, such interest will be for the benefit of the Noteholder.

Any costs incurred by the Issuer in connection with the opening or maintenance of such account will be borne by the Noteholder, and the Issuer reserves the right to use the funds in such account to pay for such costs. The amount payable by the Issuer to the Noteholder in respect of the Notes shall be reduced by the amount of any such costs incurred by the Issuer. Such right of set-off is without prejudice to any additional right to claim such costs. In the event that the costs incurred by the Issuer in connection with the opening and/or maintenance of such account exceed the amount payable by the Issuer to the Noteholder in respect of the Notes or the amount held in such account for the Noteholder, the Issuer reserves the right to forego opening or to close such account.

- (ii) If the Issuer determines, in its sole discretion, that any payment due on the Notes cannot, or cannot reasonably, be made following an FX Convertibility Event (if the FX Convertibility Event Provisions are specified to be applicable in the applicable Final Terms) or FX Transferability Event (if the FX Transferability Event Provisions are specified to be applicable in the applicable Final Terms), then such payment shall be postponed until the next Payment Day on which such payment can, in the sole discretion of the Issuer, reasonably be made. For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of the postponement of any payment in accordance with this Condition 15(c) of the General Conditions.

If the Issuer determines, in its sole discretion, that any payment due on the Notes cannot, or cannot reasonably, be made following an FX Convertibility Event (if the FX Convertibility Event Provisions are specified to be applicable in the applicable Final Terms) or FX Transferability Event (if the FX Transferability Event Provisions are specified to be applicable in the applicable Final Terms) for a period of five years (or such other period as may be specified in the applicable Final Terms) from the date on which payment was originally due to be made but for the FX Convertibility Event or the FX Transferability Event, as the case may be, then the Issuer shall be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions above, including accrued interest, if any, and no additional amounts shall be payable to the relevant Noteholder.

**(d) Tax Event**

If the Tax Event Provisions are specified to be applicable in the applicable Final Terms, all payments made under the Notes will be subject to the deductions of any taxes, fees or costs that may be incurred or arise as a result of any Tax Event in relation to the Notes and any transactions associated with them subject to such amendments as may be set out in the applicable Final Terms. The determination of the amount of any such taxes, fees or costs shall be made by the Issuer in its sole discretion.

**(e) Definitions**

The following terms shall have the following meanings when used in this Condition 15 of the General Conditions:

**“Benchmark Market Disruption Event”** means any event, beyond the control of the Issuer, as a result of which the Primary Benchmark is not available, or any suspension of, or limitation imposed on trading in, the Primary Benchmark or any event that disrupts or impairs (as determined by the Issuer) the ability of market participants in general to effect transactions in or obtain market values for the exchange of the Relevant Currency or for transactions in respect of the Primary Benchmark.

**“Fallback Benchmark”** means the benchmark (if any) specified as such in the applicable Final Terms.

**“Fallback FX Rate”** means the exchange rate (if any) specified, or determined in the manner specified, in the applicable Final Terms.

**“FX Convertibility Event”** means, as determined by the Issuer, the occurrence of any of the following: (i) the existence, adoption, enactment, implementation or modification of any rule, regulation or statute by any Governmental Authority, adoption of or change in interpretation thereof or any action whatsoever, which has the effect of imposing any exchange controls, limitations or restrictions on the convertibility of the Relevant Currency or the Specified Currency to a Permitted Currency or vice-versa; (ii) the general unavailability of the Permitted Currency at a spot rate of exchange (applicable to the purchase of a Permitted Currency for the Relevant Currency or the Specified Currency or vice-versa) in legal exchange markets officially recognised as such by the government of the Relevant Jurisdiction and in accordance with normal commercial practice; (iii) any action taken by any Governmental Authority with general application to annul, render unenforceable or reduce the amount to be received, or increase the amount to be paid at settlement of spot, forward or European option currency transactions; (iv) the existence, enactment, imposition or extension of any regulation that requires the provision of a notice period to convert the Relevant Currency or the Specified Currency into a Permitted Currency or vice-versa; (v) the forced conversion of deposits of the Permitted Currency held inside the Relevant Jurisdiction into the Relevant Currency or the Specified Currency; or (vi) any action taken by any Governmental Authority (or any successor thereto) which has the effect described in sub-paragraphs (i), (ii), (iii), (iv) or (v) above on the operations of the Issuer or its associated entities.

**“FX Market Disruption Event”** means any event, beyond the control of the Issuer, as a result of which the Primary FX Rate is not available, or any suspension of, or limitation imposed on trading in, the Relevant Currency or any event that disrupts or impairs (as determined by the Issuer) the ability of market participants in general to effect transactions in or obtain market values for the exchange of the Relevant Currency.

**“FX Transferability Event”** means, as determined by the Issuer, the occurrence of any of the following: the existence, adoption, enactment, implementation or modification of any rule, regulation or statute by any Governmental Authority, adoption of or change in interpretation thereof or any action whatsoever, which has the effect of limiting or restricting the transfer of a Permitted Currency or the Relevant Currency or the Specified Currency in any manner outside the Relevant Jurisdiction or in any manner within the Relevant Jurisdiction, including, but not limited to, between accounts of the Issuer, its related or associated entities and its agents, or between the Issuer and any third party (including any clearing system).

**“Governmental Authority”** means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of financial markets (including the central bank).

**“Maximum Period of Postponement”** means the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of such number of calendar days or Business Days (as applicable) as is specified in the applicable Final Terms following such Scheduled Valuation Date



or such other date.

**“Permitted Currency”** means (i) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (ii) the legal tender of any country which, as of the relevant date, is a member of the Organisation for Economic Cooperation and Development and has a local currency long-term debt rating of either “AAA” assigned to it by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, “Aaa” assigned to it by Moody’s Investors Service, Inc. or any successor to the rating business thereof or “AAA” assigned to it by Fitch Ratings or any successor to the rating business thereof.

**“Primary Benchmark”** means the benchmark specified as such in the applicable Final Terms.

**“Primary FX Rate”** means the exchange rate specified, or determined in the manner specified, in the applicable Final Terms.

**“Relevant Currency”** has the meaning set out in the applicable Final Terms.

**“Relevant Jurisdiction”** has the meaning set out in the applicable Final Terms.

**“Scheduled Valuation Date”** means each date, if any, specified as such in the applicable Final Terms or, if any such date is not a Business Day, the immediately preceding Business Day, provided that, in the event of an Unscheduled Holiday on a Scheduled Valuation Date, the Scheduled Valuation Date shall be the immediately following Business Day.

**“Tax Event”** means the existence, enactment, imposition or application of any rule, regulation or law, or modification or change in the interpretation thereof, by any Governmental Authority, including but not limited to the tax authority or any other tax collection agency of the Relevant Jurisdiction, which imposes any tax, levy, impost, duty, charge, assessment or fee of any nature with respect to (i) any transactions (including derivatives transactions) related to the Primary FX Rate (if one is specified in the applicable Final Terms) or the Fallback FX Rate (if one is specified in the applicable Final Terms) or the Primary Benchmark (if one is specified in the applicable Final Terms) or the Fallback Benchmark (if one is specified in the applicable Final Terms) or any sovereign or corporate debt or any financial instruments or transactions denominated in the Relevant Currency (together, the “Instruments”), (ii) accounts in which Instruments are or are permitted to be held, (iii) any interest income from Instruments; (iv) any capital gains resulting from the sale or disposition of Instruments; (v) any payment to be made on or under any spot, forward, option or other derivative transaction relating to the Notes; (vi) the remittance of the Relevant Currency or the Specified Currency within or outside of the Relevant Jurisdiction; (vii) the exchange or transfer of the Relevant Currency or the Specified Currency for a Permitted Currency or vice-versa within or outside the Relevant Jurisdiction and/or (viii) the receipt, payment, transfer or holding of any amounts under any Instruments or under any hedging transactions associated with the Notes.

**“Unscheduled Holiday”** means that a day is not a Business Day and the market was not aware of such fact (by means of a public announcement or by reference to other publicly available information) until a time later than after 9:00 a.m. local time in the Unscheduled Holiday Jurisdiction two Business Days prior to the Scheduled Valuation Date.

**“Unscheduled Holiday Jurisdiction”** has the meaning ascribed to it in the applicable Final Terms.

## PART 2 - FORM OF FINAL TERMS FOR MEDIUM TERM NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Medium Term Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance SA.**

**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units]<sup>u</sup> [Title of Notes]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "General Conditions") set forth in Chapter 2, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement[s]: the base prospectus dated [date] and the Supplement(s) dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the

Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L- 1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange]*

*[Only include if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy: The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Bonds" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].*

*[Only include if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy: The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Certificates" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L- 1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange([www.bourse.lu](http://www.bourse.lu))]\*.

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

1. Issuer: ING Belgium International Finance S.A.
2. Guarantor: ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●] [Units]<sup>u</sup>  
 (i) Tranche: [●][Units]<sup>u</sup>  
 (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Notes))]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.)]*  
*(If relevant give time periods during which the offer will*

- be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors.)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent. Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent.  
 Floating Rate]  
 [Zero Coupon]  
 [Dual Currency Interest]  
 [Variable-linked Interest]  
 [specify other]  
 (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par]  
 [Dual Currency Redemption]  
 [Partly Paid]  
 [Instalment]  
 [specify other]

- (further particulars specified below)
14. Change of Interest Basis or Redemption/ Payment Basis: [Not Applicable]  
[Applicable][Specify details of any provision for change of Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put]  
[Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [, subject to adjustment in accordance with [specify Business Day Convention] (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last*

- coupon]*  
*(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted) /Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention(Adjusted)/Preceding Business Day Convention (Unadjusted)/ *[specify other]*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined [for Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)*
- Interest Determination Date(s): [●]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if*

- EURIBOR or euro LIBOR)*
- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (vii) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (viii) Margin(s): [+/-] [●] per cent. per annum
  - (ix) Minimum Rate of Interest: [●] per cent. per annum
  - (x) Maximum Rate of Interest: [●] per cent. per annum
  - (xi) Day Count Fraction: [Actual/Actual;  
Actual/Actual (ISDA)  
Actual/365 (Fixed)  
Actual/365 (Sterling)  
Actual/360  
30/360  
360/360  
Bond Basis  
30E/360  
Eurobond Basis  
30E/360 (ISDA)  
[Other - specify]  
(see Condition 3 of the General Conditions for alternatives)]
  - (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes or Variable-linked Interest Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*



*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/specify other]  
*(Consider applicable Day Count Fraction if not U.S. dollar denominated)*
- 21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
  - (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
*[If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

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

- 22. Issuer Call: [Applicable/Not Applicable]  
*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*
  - (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [●]
    - (b) Maximum Redemption Amount of each Note: [●]

- (iv) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>/specify other]  
*(N.B. formula to specify any multiplier, if applicable)*
- (For Italian Certificates only:)
- (i) Renouncement Notice Date: [Not Applicable/specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those*

*provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

- (iii) Other (Condition 5(k) of the General Conditions):

[Applicable/Not Applicable]

*[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
New Global Note: [Yes/No] (*Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”*)  
[Permanent Global Note not exchangeable for Definitive Notes]  
*[For Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A. specify “dematerialised – registration upon issue in the books of Monte Titoli S.p.A.”]*
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
*[specify Calculation Agent if other than Guarantor]  
(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

**DISTRIBUTION**

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)  
(Where not all of the issue is underwritten, indicate the portion not covered)
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [specify name [and address]\* of dealer/Not Applicable. The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]  
[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.**]
35. (i) Simultaneous offer: [Not Applicable/give details]  
(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] (“Public Offer Jurisdictions”) during the period(s) from [specify

date] until [specify date] [and from [specify date] until [specify date]] ("Offer Period"). See further paragraph 7.

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

[●]

**37. FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**

**(i) FX Provisions:**

[specify as applicable or delete if N/A]

- Scheduled Valuation Date: [specify]
- Primary FX Rate: [specify, including the time of day on which the exchange rate is to be taken]/[Not Applicable]
- Fallback FX Rate: [specify, including the time of day on which the exchange rate is to be taken]/[Not Applicable]
- Maximum Period of Postponement: [●] [specify number] calendar days
- Unscheduled Holiday Jurisdiction: [specify] [Not Applicable]
- Relevant FX Amount payment date: [specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: [specify]

**(ii) Benchmark Provisions:**

[specify as applicable or delete if N/A]

- Scheduled Valuation Date: [specify]
- Primary Benchmark: [specify including the time of day on which the benchmark is to be measured]/[Not Applicable]
- Fallback Benchmark: [specify including the time of day on which the benchmark is to be measured]/[Not Applicable]
- Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
- Maximum period of postponement of Relevant Benchmark Amount calculation: [●] [specify number]/Business Days
- Relevant Benchmark Amount payment date: [specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: [specify]

**(iii) FX Convertibility Event**

**Provisions:**

[specify as applicable or delete if N/A]

- Relevant Currency: [specify]
- Relevant Jurisdiction: [specify]
- Other: [Applicable/Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions]

*if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(iv) FX Transferability Event**

**Provisions:**

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]
- Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(v) Tax Event Provisions:**

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]
- Any changes to Condition 15 (d) *[specify/None]*

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange/ the Italian Stock Exchange/*specify relevant regulated market*] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

**PART B – OTHER INFORMATION**

**1. LISTING AND ADMISSION TO TRADING**

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/ the Italian Stock Exchange MOT/Italian Stock Exchange SeDeX other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the

- Luxembourg Stock Exchange/Italian Stock Exchange  
MOT/Italian Stock Exchange SeDeX/other (specify)] with  
effect from [●].] [the first day of “as-if-when-issued-trading”]  
[Not Applicable.]  
[*(Where documenting a fungible issue need to indicate that  
original securities are already admitted to trading.) \**]  
(iii) As-if-and-when-issued-trading [Three Business Days preceding the Issue Date/Not  
(iv) Estimate of total expenses related to Admission] Applicable]  
admission to trading:\*\* [●]\*\*  
(v) [Minimum Transferable  
Amount][applicable only to Italian  
Certificates to be listed in SeDeX or [Specify/Not Applicable]  
on other markets which provide so]

## 2. RATINGS

Ratings:

The Issuer has not been assigned any rating.

Neither the Programme nor the issue of this Tranche of Notes  
has been rated.

The Guarantor has a senior debt rating from Standard &  
Poor’s Credit Market Services Europe Limited (“Standard &  
Poor’s”) of A+ (outlook stable), a senior debt rating from  
Moody’s France SAS (“Moody’s”) of A2 (outlook negative)  
and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of  
A+ (outlook stable).

## 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided  
the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of  
approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.  
Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State  
which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF  
unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer,  
detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the  
following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any  
appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest  
material to the offer.”

*(If there are any material/conflicting interests, for example for the dealer or distributors, then describe  
those in this section).*

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

- [(i) Reasons for the offer [●]]  
*(See “Use of Proceeds” wording in Chapter 1 of the Base  
Prospectus - if reasons for offer different from making profit*

*and/ or hedging certain risks will need to include those reasons here.)]*

(ii) Estimated net proceeds

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

**6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[●]

Calculated as *[include details of method of calculation in summary form]* on the Issue Date.]\*\*\*

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\***

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters]. Screen Page [●]  
]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

**8. [PERFORMANCE OF FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING (Variable-linked Interest Notes and Notes with a variable redemption amount only)]\***

*If the Notes have a derivative component in the interest payment, need to include details of where past and future performance and volatility of the formula/other variable can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.*

**9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\***

*Need to include a description of the rate and details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**10. [RESULTS OF THE OFFER]**



*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public.]*

## 11. POST-ISSUANCE INFORMATION

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

## 12. OPERATIONAL INFORMATION

- |        |   |   |
|--------|---|---|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)   | ISIN CODE:  | [•]   |
| (iii)  | Common Code:  | [•]   |
| (iv)   | Other relevant code:  | [•] [Not Applicable]  |
| (v)    | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]   |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [•]   |
| (viii) | Name and address of Calculation Agent:                                    | [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]  |

## 13 [FURTHER ADDITIONAL INFORMATION

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)].

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### Notes:

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive or (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000.]

[\*\*\* Not required if the minimum denomination is at least EUR 100,000.]

<sup>u</sup> Not required if the Notes are not issued in unitized form

## CHAPTER 3 - SHARE LINKED NOTES

### PART 1(A) - TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE SHARE

The terms and conditions applicable to Notes linked to a single share under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Single Share Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Share Linked Conditions, the Single Share Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or the exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 5(l) and 5(m) of the General Conditions) the Issuer shall (i) pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms and/or (ii) (if “Share Delivery” is specified as being applicable in the Final Terms, then in the circumstances described in the Final Terms) deliver the Share Amount(s) (subject to and in accordance with Condition 5(n) of the General Conditions), all as further specified in the Final Terms. The Final Redemption Amount and/or the delivery of the Share Amount(s) may depend upon whether the Price is (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to”, the relevant barrier(s), as specified in the applicable Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means (i) Change in Law, (ii) Hedging Disruption, (iii) Insolvency Filing, (iv) where “Exchange Traded Fund” is specified to be applicable in the Final Terms, Exchange Traded Fund Disruption Event and/or Underlying Index Disruption Event and/or (v) such other event (if any) specified as such in the applicable Final Terms, in each case if specified as being applicable in the Final Terms.

“**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 the purpose, “control” of any entity or person means ownership of a majority of the voting power of the entity or person.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or per Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or per Calculation amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

“**Automatic Early Redemption Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Automatic Early Redemption Event**” means, if “Automatic Early Redemption” is specified as

being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Price per Share is, as specified in the applicable Final Terms, (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to” the Automatic Early Redemption Price or any relevant barrier(s) as specified for the purposes of Automatic Early Redemption Event in the applicable Final Terms.

**“Automatic Early Redemption Price”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the Price per Share specified as such or otherwise determined in the applicable Final Terms.

**“Automatic Early Redemption Rate”** means, in respect of any Automatic Early Redemption Date and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Averaging Dates”** means each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Change in Law”** means that on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates to (i) hold, acquire or dispose of the Shares or to enter into transactions on or relating to the Shares or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of the Shares, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**“De-listing”** means that the Exchange announces that pursuant to its rules the Shares have ceased (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 such Shares are not immediately re-listed, re-traded or requoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union) and such Shares are no longer listed on an Exchange acceptable to the Issuer.

**“Delivery Day”** means, if “Share Delivery” is specified as being applicable in the Final Terms, a day, if any, on which the Shares comprised in the Share Amount(s) may be delivered to the Noteholders in a manner which the Issuer determines to be appropriate.

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

**“Disruption Cash Settlement Price”** means, if “Share Delivery” is specified as being applicable in

the Final Terms, in respect of each Note, an amount in the Specified Currency equal to the fair market value of the Share Amount less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, all as determined by the Calculation Agent in its sole discretion.

**“Early Closure”** means the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by the Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on the Exchange or such Related Exchange 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 the Exchange specified in the Final Terms or otherwise the stock exchange on which the Shares are, in the determination of the Issuer, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Shares has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Shares on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or any such Related 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) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares on any Related Exchange.

**“Exchange Traded Fund Cancellation”** mean, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer is liquidated or otherwise terminated, the Calculation Agent, acting in its sole and absolute discretion determines that no Substitute share Issuer exists and such event does not constitute an Insolvency Filing or an Insolvency.

**“Exchange Traded Fund Constitution Breach”** mean, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, any failure to observe any of the objects, constitution, conditions or Fund Rules of the Share Issuer that is, in the determination of the Calculation Agent, material.

**“Exchange Traded Fund Constitution Change”** mean, where Exchange Traded Fund” is specified to be applicable in the Final Terms, any modification of the objects, constitution, conditions or Fund Rules of the Share Issuer that is, in the determination of the Calculation Agent, material.

**“Exchange Traded Fund Disruption”** mean, where Exchange Traded Fund” is specified to be applicable in the Final Terms, the Relevant Party responsible for calculation and announcing the net asset value of the Share Issuer fails to do so.

**“Exchange Traded Fund Disruption Event”** means, where Exchange Traded Fund” is specified to be applicable in the Final Terms, Exchange Traded Fund Cancellation, Exchange traded Fund Constitution Breach, Exchange Traded Fund Constitution Change, Exchange Traded Fund Disruption and/or Exchange Traded Fund Modification.

**“Exchange Traded Fund Management Company”** means, where Exchange Traded Fund” is specified to be applicable in the Final Terms, the investment manager of the Share Issuer or, in respect of any publication of the net asset of the Share Issuer, the service provider responsible for publishing such net asset value.

**“Exchange Traded Fund Modification”** means, where Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer or the Exchange Traded Fund Management Company announces that it will make or has made (in the opinion of the Issuer) a material change in the formula for or the method of calculation the net asset value of the Share Issuer or a Substitute Share Issuer (other than a modification prescribed in that formula or method to maintain the Share Issuer or a Substitute Share Issuer in the event of changes in constituent securities and capitalisation and other routine events).

**“Expiration Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Extraordinary Dividend”** means, in respect of the Shares, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Issuer.

**“Final Share Price”** means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Expiration Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

**“Fractional Amount”** means, if “Share Delivery” is specified as being applicable in the Final Terms, any fractional interest in one Share to which a Noteholder would be entitled pursuant to Condition 5(n)(iii) of the General Conditions.

**“Fractional Cash Amount”** means, in respect of each Noteholder, the amount (rounded to the nearest smallest transferable unit of the Specified Currency, half such a unit being rounded downwards) calculated by the Calculation Agent in accordance with the following formula and translate into the Specified Currency by the Calculation Agent:

$$\text{Fractional Cash Amount} = (\text{Final Share Price} \times \text{Fractional Amount}).$$

**“Fund Rules”** means, where “Exchange Traded Fund” is specified to be applicable, with respect to a Share Issuer, the terms of the bye-laws and other associated documentation relating to such Share Issuer and any other rules or regulations to such Share Issuer and the relevant Shares (including any prospectus in respect thereof) existing on the Issue Date, including its investment guidelines and restrictions.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation, the entry into of any transaction(s) and/or the purchase and/or sale of the Shares or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer and/or the Guarantor under the Notes and any associated foreign exchange transactions.

**“Hedging Disruption”** means that the Issuer, the Guarantor and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of the Shares and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of the Shares and/or any Hedging Arrangement and/or (c) any other event specified as such in the applicable Final Terms.

**“Initial Share Price”** means the price of one Share in the Share Currency quoted on the Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

**“Insolvency”** means, in respect of the Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Share Issuer, (A) all the Shares of the Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of the Share Issuer become legally prohibited from transferring them.

**“Insolvency Filing”** means

(X) where “Exchange Traded Fund” is not specified to be applicable in the Final Terms, that the Calculation Agent determines that the Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition; or

(Y) where “**Exchange Traded Fund**” is specified to be applicable in the Final Terms, that the Calculation Agent determines that the Share Issuer or any other Relevant Party, which, in the determination of the Calculation Agent, has a substantial connection with, and/or substantial influence on the operation of, the Share Issuer, has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditor’s rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or its consents to such a petition.

“**Market Disruption Event**” means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (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.

“**Merger Date**” means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

“**Merger Event**” means, in respect of the Shares, any (i) reclassification or change of the 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 exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the Share Issuer 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% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the Share Issuer 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% of the outstanding Shares immediately following such event (a “**Reverse Merger**”), in each case if the Merger Date is on or before the Expiration Date (or such other date as may be specified in the Final Terms).

“**Nationalisation**” means that all the Shares of the Share Issuer or all or substantially all the assets of the Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“**New Shares**” means ordinary or common shares, whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member

of state of the European Union) or on another exchange acceptable to the Issuer and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**“Observation Date”** means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Other Consideration”** means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party).

**“Potential Adjustment Event”** means any of the following:

- (i) a subdivision, consolidation or reclassification of the Shares (unless resulting in a Merger Event), or a free distribution or dividend of any Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of the Shares of (A) Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of the Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by the Share Issuer in respect of Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to the Share Issuer, an event that results in any shareholder rights 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, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the Shares.

**“Price”** means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Exchange Business Day or (ii) if “Valuation Time Only” is specified as being applicable in the Final Terms, at the Valuation Time on such Exchange Business Day, all as determined by the Calculation Agent.

**“Related Exchange”** means 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 the Shares, or such other options or futures exchange(s) as the Issuer may select, any transferee exchange or quotation system or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Shares has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Shares on such temporary substitute exchange or quotation



system as on the original Related Exchange).

**“Relevant Party”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Share Issuer, its Exchange Traded Fund Management company or any prime broker, custodian or other service provider to the Share Issuer which, in the reasonable opinion of the Calculation Agent, is of substantial importance to the operation of the Share Issuer.

**“Scheduled Closing Time”** means, in respect of the Exchange or a Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the 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 Trading Day”** means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

**“Settlement Disruption Event”** means, if “Share Delivery” is specified as being applicable in the Final Terms, an event determined by the Calculation Agent to be beyond the control of the Issuer as a result of which the Issuer cannot transfer (or it would be contrary to applicable laws and regulations for the Issuer to transfer) the Shares comprised in the Share Amount(s) in accordance with the terms and conditions of the Notes.

**“Share Amount”** has the meaning ascribed to it in the Final Terms.

**“Share Currency”** has the meaning ascribed to it in the Final Terms.

**“Share Delivery Date”** means, unless specified otherwise in the Final Terms, the later of (i) the Maturity Date and (ii) the fifth Business Day following the Expiration Date (as the same may be postponed hereunder), subject in any such case to Condition 5(n)(ii) of the General Conditions and, if the Share Delivery Date is not a Delivery Day, to postponement to the next succeeding Delivery Day.

**“Share Issuer”** has the meaning ascribed to it in the Final Terms.

**“Shares”** has the meaning ascribed to it in the Final Terms. For the avoidance of doubt, references to “Shares” in the General Conditions and the Single Share Linked Conditions include shares or units in an exchange traded fund and related expressions shall be construed accordingly.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“Substitute Share Issuer”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, a successor or substitute exchange traded fund which in the reasonable opinion of the Calculation Agent has a similar risk profile and investment objective to the Share Issuer.

**“Successor Underlying Index”** means, where the Underlying Index is (i) not calculated and announced by the Underlying Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or substantially similar formula for and method of calculation as used in the calculation of the Underlying Index, such successor index or index calculated and announced by the successor sponsor.

**“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 10% and less than 100% of the outstanding voting shares of the Share Issuer, 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.

**“Tender Offer Date”** means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**“Trading Disruption”** means, in respect of the Shares, any suspension of or limitation imposed on trading by the Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or such Related Exchange or otherwise (i) relating to the Shares on the Exchange or (ii) in futures or options contracts relating to the Shares on a Related Exchange.

**“Underlying Index”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, (i) the index tracked by the shares and/or the Share Issuer on the Issue Date or (ii) the index as specified in the Final Terms.

**“Underlying Index Cancellation”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Underlying Index Sponsor cancels the Underlying Index and no successor Underlying Index exists.

**“Underlying Index Disruption”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the Underlying Index Sponsor fails to calculate and announce the level of the Underlying Index.

**“Underlying Index Disruption Event”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, an Underlying Index Cancellation, Underlying Index Disruption and/or Underlying Index Modification.

**“Underlying Index Exchange”** means, in respect of any security comprised in the Underlying Index, any stock exchange (from time to time) on which, in the determination of the Issuer, such security is listed for the purposes of such Underlying Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any such security comprised in the Underlying Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such security on such successor or substitute exchange or quotation system as on the original Underlying Index Exchange).

**“Underlying Index Modification”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the underlying Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating level of the Underlying Index or in any other way materially modifies the Underlying Index (other than a modification prescribed in that formula or method to maintain the Underlying Index in the event of changes in constituent securities and capitalisation and other routine events).

**“Underlying Index Related Exchange”** means, in respect of the Underlying Index, each exchange or quotation system as the Calculation Agent determines on, which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Underlying Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Underlying 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 the Underlying Index on such temporary substitute exchange or quotation system as on the original Underlying Index Related Exchange).

**“Underlying Index Scheduled Trading Day”** means any day on which the Underlying Index Sponsor is scheduled to publish the level of the Underlying Level and any day on which the Underlying Index Exchange and each Underlying Index Related Exchange is scheduled to be open for trading for its regular trading session.

**“Underlying Index Sponsor”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms, the corporation or other entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Underlying Index and (b) announces (directly or through an agent) the level of the Underlying Index on a regular basis during each Underlying Index Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Underlying Index or any agent or person acting on behalf of such person.

**“Valuation Time”** means the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, in respect of the Shares is a Disrupted Day, then the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of the Shares, notwithstanding the fact that such day is a Disrupted Day;
- (b) the Calculation Agent shall determine the price of one Share as its good faith estimate of the price of one Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day and, in relation to the Italian Bonds and to the Italian Certificates, which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates; and/or
- (c) the Issuer may make any adjustment or adjustments to the Final Redemption Amount, Automatic Early Redemption Amount, the Initial Share Price, the Final Share Price, the Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, in relation to the Italian Bonds and to the Italian Certificates, which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice, taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred on the Expiration Date and/or on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of

interest is share-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the postponed Expiration Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes and/or any adjustment to any term of the Notes pursuant to this Condition 5(l)."

#### **4. Adjustments**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments, Consequences of Certain Events and Currency*

##### **(i) Adjustments**

If the Calculation Agent determines that a Potential Adjustment Event has occurred or that there has been an adjustment to the settlement terms of listed contracts on the Shares traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will:

- (a) make the corresponding adjustment(s), if any, to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the terms and conditions of the Notes (including the amount of interest payable, if any) as the Calculation Agent 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 dividend, stock loan rate or liquidity) and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and
- (b) determine the effective date(s) of the adjustment(s).

The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the Shares traded on that options exchange.

##### **(ii) Consequences of a Merger Event**

If the Calculation Agent determines that a Merger Event has occurred, the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Merger Date less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement, and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or

- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes), and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment; and/or
- (c) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the “Shares” and the “Share Issuer”, respectively, and if the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, determines to be appropriate, the Issuer will adjust any relevant terms of the Notes as it may determine.

The Issuer shall give notice of such redemption, adjustment or deemed change to Noteholders in accordance with Condition 10 of the General Conditions.

(iii) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred, then on or after the relevant Tender Offer Date the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Tender Offer Date less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement, and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

The Issuer shall give notice of such redemption or adjustment to Noteholders in accordance with

Condition 10 of the General Conditions.

(iv) Nationalisation, Insolvency or De-listing

If in respect of the Shares or the Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may

- (a) request the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, to determine the appropriate adjustment, if any, to be made to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the other terms and conditions of the Notes (including the amount of interest payable, if any) to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment; or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(v) Change of Exchange

If the Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes (including the amount of interest payable, if any) as it may deem necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

(vi) Price Correction

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the Exchange within three Business Days (or such other period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(vii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date

on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events.. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(viii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may

- (a) make any adjustment or adjustments to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate (including, without limitation, to the Final Redemption Amount, the Automatic Early Redemption Amount, the Initial Share Price, the Final Share Price, the Strike Price and the amount of interest payable, if any) and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination made pursuant to this paragraph and of any adjustment and/or redemption of the Notes shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ix) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines appropriate to preserve the economic terms of the Notes. The Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.”

## 5. Delivery of Share Amount

For the purposes of the Notes, if “Share Delivery” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Delivery of Share Amounts:*

## (i) Delivery of Share Amounts

If the Notes are to be redeemed by the delivery of the Share Amounts, the Issuer shall, on the Share Delivery Date, deliver or procure the delivery of the Share Amount in respect of each Note to such account in such clearing system as may be specified by the relevant Noteholder, at the risk and expense of the relevant Noteholder. If a Noteholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer to effect any required delivery of Shares, the due date for such delivery shall be postponed accordingly. The Issuer shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “delivery” in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and “deliver” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any Noteholder or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of the Noteholder or any other person as the registered shareholder in any register of members of the Share Issuer.

Noteholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and any share registrars and the effect of any Settlement Disruption Events.

The Issuer shall not at any time be obliged to account to a Noteholder for any amount or entitlement that it receives by way of a dividend or other distribution in respect of any of the Shares. Dividends and distributions in respect of the Shares which constitute a Potential Adjustment Event may however result in an adjustment being made pursuant to Condition 5(m) of the General Conditions.

Neither the Issuer nor any other person shall (a) be under any obligation to deliver (or procure any other person to deliver) to the Noteholders or any other person any letter, certificate, notice, circular or any other document received by that person in its capacity as the holder of the Shares, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to the Shares or (c) be under any liability to the Noteholders or any subsequent beneficial owners of the Shares in respect of any loss or damage which any Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of the Shares.

## (ii) Settlement Disruption

If the Issuer determines that delivery of any Share Amount in respect of any Note by the Issuer in accordance with the terms and conditions of the Notes is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Share Delivery Date in respect of such Share Amount shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given in accordance with Condition 10 of the General Conditions, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Share Amount using such other commercially reasonable manner as it may select and in such event



the Share Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount in such other commercially reasonable manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Share Delivery Date for the Shares comprising such Share Amount which are not affected by the Settlement Disruption Event will be the originally designated Share Delivery Date.

For so long as delivery of the Share Amount in respect of any Note is not practicable or permitted by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of each Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 10 of the General Conditions. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 10 of the General Conditions.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 10 of the General Conditions if a Settlement Disruption Event has occurred.

(iii) **Aggregate Share Amount**

The aggregate Share Amount to which a Noteholder may be entitled will be determined on the basis of the separate (for the avoidance of doubt, not aggregate) number of Notes held by the relevant Noteholder. The Issuer shall not be obliged to deliver fractions of a Share but shall be obliged to account for the Fractional Cash Amount of any such fractions to the relevant Noteholder on the Share Delivery Date and each such Share Amount to be delivered shall be rounded down to the next integral number of Shares.”

**6. Automatic Early Redemption**

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(o) as follows:

*“(o) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”

**7. Prescription**

For the avoidance of doubt, Condition 7 of the General Conditions shall apply to the Notes and claims for delivery of any Share Amount in respect of the Notes shall become void upon the expiry of five years from the Share Delivery Date.

## **PART 1(B) - TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF SHARES**

The terms and conditions applicable to Notes linked to a basket of shares shall comprise the Terms and Conditions set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below the (“Basket Share Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Basket Share Linked Conditions, the Basket Share Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Basket Share Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

### **1. Final Redemption**

Subject to any applicable automatic redemption and/or early redemption and/or put options and/or call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 5(l) and 5(m) of the General Conditions) the Issuer shall (i) pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms and/or (ii) (if “Share Delivery” is specified as being applicable in the Final Terms, then in the circumstances described in the Final Terms) deliver the Share Amount(s) (subject to and in accordance with Condition 5(n) of the General Conditions), all as further specified in the Final Terms. The Final Redemption Amount and/or the delivery of the Share Amount(s) may depend upon whether the Price of any Share in the Basket, or all the Shares in the Basket, is (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to”, the relevant barrier(s), as specified in the applicable Final Terms.

### **2. Definitions**

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

**“Additional Disruption Event”** means (i) Change in Law, (ii) Hedging Disruption, (iii) Insolvency Filing, (iv) where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, Exchange Traded Fund Disruption Event and/or Underlying Index Disruption Event and/or (v) such other event (if any) specified as such in the applicable Final Terms, in each case if specified as being applicable in the Final Terms.

**“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.

**“Automatic Early Redemption Amount”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or per Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or per Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

**“Automatic Early Redemption Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Automatic Early Redemption Event”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Price

of one or more Shares (as specified in the applicable Final Terms) is, as specified in the applicable Final Terms, (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to” the Automatic Early Redemption Price(s) or any relevant barrier(s) as specified for the purposes of Automatic Early Redemption Event in the applicable Final Terms.

“**Automatic Early Redemption Price(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the Price(s) per Share specified as such or otherwise determined in the applicable Final Terms.

“**Automatic Early Redemption Rate**” means, in respect of any Automatic Early Redemption Date and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

“**Automatic Early Redemption Valuation Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Averaging Dates**” means, in respect of a Share, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

“**Basket**” means a basket composed of Shares in the relative proportions and/or numbers of Shares of each Share Issuer specified in the Final Terms.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) to hold, acquire or dispose of the Shares or to enter into transactions on or relating to the Shares or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of the Shares, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**De-listing**” means that an Exchange announces that pursuant to its rules one or more of the Shares in the Basket has ceased (or will cease) to be listed, traded or publicly quoted on the relevant Exchange for any reason (other than a Merger Event or Tender Offer) and such Shares are not immediately re-listed, re-traded or re-quoted 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 such Shares are no longer listed on an Exchange acceptable to the Issuer.

“**Delivery Day**” means, if “Share Delivery” is specified as being applicable in the Final Terms, a day, if any, on which Shares comprised in any Share Amount(s) may be delivered to the Noteholders in a manner which the Calculation Agent determines to be appropriate.

“**Disrupted Day**” means, in respect of a Share, any Scheduled Trading Day on which (i) the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open

for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

**“Disruption Cash Settlement Price”** means, if “Share Delivery” is specified as being applicable in the Final Terms, in respect of each Note, an amount in the Specified Currency equal to the fair market value of the relevant Share Amount less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, all as determined by the Calculation Agent in its sole discretion.

**“Early Closure”** means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“Exchange”** means, in respect of a Share, the Exchange specified for such Share in the Final Terms or otherwise the stock exchange on which such Share is, in the determination of the Issuer, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the relevant Exchange or any relevant Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of a Share, 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, such Share on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

**“Exchange Traded Fund Cancellation”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Share Issuer of such Share is liquidated or otherwise terminated and the Calculation Agent, acting in its sole and absolute discretion determines that no Substitute Share Issuer exists and such event does not constitute an Insolvency Filing or an Insolvency.

**“Exchange Traded Fund Constitution Breach”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, any failure to observe any of the objects, constitution, conditions or Fund Rules of the Share Issuer of such Share that is, in the determination of the Calculation Agent, material.

**“Exchange Traded Fund Constitution Change”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, any modification of the objects, constitution, conditions or Fund Rules of the Share Issuer of such Share that is, in the determination of the Calculation Agent, material.

**“Exchange Traded Fund Disruption”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Relevant Party responsible for calculating and announcing the net asset value of the Share Issuer of such Share fails to do so.

**“Exchange Traded Fund Disruption Event”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, Exchange Traded Fund Cancellation, Exchange

Traded Fund Constitution Breach, Exchange Traded Fund Constitution Change, Exchange Traded Fund Disruption and/or Exchange Traded Fund Modification.

**“Exchange Traded Fund Management Company”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the investment manager of the Share Issuer of such Share or, in respect of any publication of the net asset value of the Share Issuer of such Share, the service provider responsible for publishing such net asset value.

**“Exchange Traded Fund Modification”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Share Issuer of such Share or the Exchange Traded Fund Management Company with respect to the Share Issuer of such Share announces that it will make or has made (in the opinion of the Issuer) a material change in the formula for or the method of calculating the net asset value of such Share Issuer or a Substitute Share Issuer (other than a modification prescribed in that formula or method to maintain such Share Issuer or Substitute Share Issuer in the event of changes in constituent securities and capitalisation and other routine events).

**“Expiration Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Extraordinary Dividend”** means, in respect of a Share, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Issuer.

**“Final Share Price”** means, in respect of a Share, the price of one such Share in the Share Currency quoted on the relevant Exchange at the Valuation Time on the Expiration Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

**“Fractional Amount”** means, if “Share Delivery” is specified as being applicable in the Final Terms, any fractional interest in one Share to which a Noteholder would be entitled pursuant to Condition 5(n)(iii) of the General Conditions.

**“Fractional Cash Amount”** means, in respect of each Noteholder, the amount (rounded to the nearest smallest transferable unit of the Specified Currency, half such a unit being rounded downwards) calculated by the Calculation Agent in accordance with the following formula and translated into the Specified Currency by the Calculation Agent:

$$\text{Fractional Cash Amount} = (\text{Final Share Price} \times \text{Fractional Amount}).$$

**“Fund Rules”** means, where “Exchange Traded Fund” is specified to be applicable in respect of a Share, with respect to the Share Issuer of such Share, the terms of the bye-laws and other associated documentation relating to such Share Issuer and any other rules or regulations relating to such Share Issuer and the relevant Shares (including any prospectus in respect thereof) existing on the Issue Date, including its investment guidelines and restrictions.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or any of its Affiliates at any time with respect to the Notes, including without limitation, the entry into of any transaction(s) and/or the purchase and/or sale of the Shares or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer and/or the Guarantor and/or any of its Affiliates under the Notes and any associated foreign exchange transactions.

**“Hedging Disruption”** means that the Issuer, the Guarantor and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of the Shares and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of the Shares and/or any Hedging Arrangement and/or (c) any other event specified as such in the applicable Final Terms.

**“Initial Share Price”** means, in respect of a Share, the price of one such Share in the Share

Currency quoted on the relevant Exchange at the Valuation Time on the Strike Date (or such other definition, if any, as may be specified in the Final Terms), as determined by the Calculation Agent.

**“Insolvency”** means, in respect of a Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting such Share Issuer, (A) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

**“Insolvency Filing”** means:

(X) where “Exchange Traded Fund” is not specified to be applicable in the Final Terms with respect to a Share, that the Calculation Agent determines that the Share Issuer of such Share has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition; or

(Y) where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, that the Calculation Agent determines that the Share Issuer of such Share or any other Relevant Party, which, in the determination of the Calculation Agent, has a substantial connection with, and/or substantial influence on the operation of, the Share Issuer of such Share, has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

**“Market Disruption Event”** means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (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.

**“Merger Date”** means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**“Merger Event”** means, in respect of one or more of the Shares in the Basket, 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 exchange of the relevant Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer 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% of the outstanding Shares of the relevant Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer or its subsidiaries with or into another entity in which such Share Issuer 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% of the

outstanding Shares immediately following such event (a “**Reverse Merger**”), in each case if the Merger Date is on or before the Expiration Date (or such other date as may be specified in the Final Terms).

“**Nationalisation**” means that all the Shares of a Share Issuer or all or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

“**New Shares**” means ordinary or common shares, whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date 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 relevant Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Issuer and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

“**Observation Date**” means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

“**Observation Period**” has the meaning ascribed to it in the Final Terms.

“**Other Consideration**” means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

“**Potential Adjustment Event**” means any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of the Shares in the Basket (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;
- (ii) a distribution, issue or dividend to existing holders of one or more of the Shares in the Basket of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the relevant Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by a Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to a Share Issuer, an event that results in any shareholder rights 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, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of one or more of the Shares in the Basket.

**“Price”** means, in respect of a Share, on any Exchange Business Day, the price of one such Share in the Share Currency quoted on the relevant Exchange (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Exchange Business Day or (ii) if “Valuation Time Only” is specified as being applicable in the Final Terms, at the Valuation Time on such Exchange Business Day, all as determined by the Calculation Agent.

**“Related Exchange”** means, in respect of a Share, 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 or such other options or futures exchange(s) as the Issuer may select, any transferee exchange or quotation system or any successor to any 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).

**“Relevant Party”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Share Issuer of such Share, its Exchange Traded Fund Management Company or any prime broker, custodian or other service provider to the Share Issuer of such Share which, in the reasonable opinion of the Calculation Agent, is of substantial importance to the operation of the Share Issuer.

**“Scheduled Closing Time”** means, in respect of an Exchange or a 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 Trading Day”** means, in respect of a Share, any day on which the relevant Exchange and each relevant Related Exchange is scheduled to be open for trading for its regular trading sessions.

**“Settlement Disruption Event”** means, if “Share Delivery” is specified as being applicable in the Final Terms, in respect of a Share, an event determined by the Calculation Agent to be beyond the control of the Issuer as a result of which the Issuer cannot transfer (or it would be contrary to applicable laws and regulations for the Issuer to transfer) the Shares comprised in the Share Amount(s) in accordance with the terms and conditions of the Notes.

**“Share Amount”** has the meaning ascribed to it in the Final Terms.

**“Share Currency”** has the meaning ascribed to it in the Final Terms.

**“Share Delivery Date”** means, unless specified otherwise in the Final Terms, the later of (i) the Maturity Date and (ii) the fifth Business Day following the Expiration Date (as the same may be postponed hereunder), subject in any such case to Condition 5(n)(ii) of the General Conditions and, if the Share Delivery Date is not a Delivery Day, to postponement to the next succeeding Delivery Day.

**“Share Issuer”** has the meaning ascribed to it in the Final Terms.

**“Shares”** has the meaning ascribed to it in the Final Terms. For the avoidance of doubt, references to “Shares” in the General Conditions and the Basket Share Linked Conditions include shares or units in an exchange traded fund and related expressions shall be construed accordingly. Where Shares relate to shares or units in an exchange traded fund, “Exchange Traded Fund” shall be specified to be applicable in the Final Terms in respect of such Share.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.



**“Substitute Share Issuer”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, a successor or substitute exchange traded fund which in the reasonable opinion of the Calculation Agent has a similar risk profile and investment objective to the Share Issuer of such Share.

**“Successor Underlying Index”** means, where the Underlying Index is (i) not calculated and announced by the Underlying Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Underlying Index, such successor index or index calculated and announced by the successor sponsor.

**“Tender Offer”** means, in respect of any Shares, 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 10% and less than 100% of the outstanding voting shares of the relevant Share Issuer, 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.

**“Tender Offer Date”** means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**“Trading Disruption”** means, in respect of a Share, any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or such Related Exchange or otherwise (i) relating to such Share on such Exchange or (ii) in futures or options contracts relating to such Share on a Related Exchange.

**“Underlying Index”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, (i) the index tracked by such Share and/or the Share Issuer of such Share on the Issue Date or (ii) the index as specified in the Final Terms.

**“Underlying Index Cancellation”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Underlying Index Sponsor cancels the Underlying Index in respect of such Share and no Successor Underlying Index exists.

**“Underlying Index Disruption”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Underlying Index Sponsor fails to calculate and announce the level of the Underlying Index in respect of such Share.

**“Underlying Index Disruption Event”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, an Underlying Index Cancellation, Underlying Index Disruption and/or Underlying Index Modification.

**“Underlying Index Exchange”** means, in respect of any security comprised in the Underlying Index, any stock exchange (from time to time) on which, in the determination of the Issuer, such security is listed for the purposes of such Underlying Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any such security comprised in the Underlying Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such security on such successor or substitute exchange or quotation system as on the original Underlying Index Exchange).

**“Underlying Index Modification”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the Underlying Index Sponsor with respect to the Underlying Index in respect of such Share announces that it will make or has made (in the opinion of the Issuer) a material change in the formula for or the method of calculating level of such Underlying Index or

in any other way materially modifies such Underlying Index (other than a modification prescribed in that formula or method to maintain such Underlying Index in the event of changes in constituent securities and capitalisation and other routine events).

**“Underlying Index Related Exchange”** means, in respect of the Underlying Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Underlying Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Underlying 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 the Underlying Index on such temporary substitute exchange or quotation system as on the original Underlying Index Related Exchange).

**“Underlying Index Scheduled Trading Day”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, any day on which the Underlying Index Sponsor is scheduled to publish the level of the Underlying Index and any day on which the Underlying Index Exchange and each Underlying Index Related Exchange is scheduled to be open for trading for its regular trading session.

**“Underlying Index Sponsor”** means, where “Exchange Traded Fund” is specified to be applicable in the Final Terms with respect to a Share, the corporation or other entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Underlying Index in respect of such Share and (b) announces (directly or through an agent) the level of such Underlying Index on a regular basis during each Underlying Index Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Underlying Index or any agent or person acting on behalf of such person.

**“Valuation Time”** means the Scheduled Closing Time on the relevant Exchange on the relevant date in relation to that Share. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, is a Disrupted Day in respect of a Share, then the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of that Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of that Share, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date for such Share, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, for such Share notwithstanding the fact that such day is a Disrupted Day;
- (b) the Calculation Agent shall determine the price of one such Share as its good faith estimate of the price of one such Share that would have prevailed, but for the occurrence of a Disrupted Day, at the

Valuation Time on that eighth Scheduled Trading Day and, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates; and/or

- (c) the Issuer may make any adjustment or adjustments to the Final Redemption Amount, Automatic Early Redemption Amount, the Initial Share Price, the Final Share Price, the Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred on the Expiration Date and/or on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is share-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the postponed Expiration Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes and/or any adjustment to any term of the Notes pursuant to this Condition 5(l)."

#### **4. Adjustments**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*"(m) Adjustments, Consequences of Certain Events and Currency*

##### **(i) Adjustments**

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of one or more of the Shares in the Basket or that there has been an adjustment to the settlement terms of listed contracts on one or more of the Shares in the Basket traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will:

- (a) make the corresponding adjustment(s), if any, to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the terms and conditions of the Notes (including the amount of interest payable, if any) as the Calculation Agent 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 dividend, stock loan rate or liquidity), with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and

- (b) determine the effective date(s) of the adjustment(s).

The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the relevant Shares traded on that options exchange.

(ii) Consequences of a Merger Event

If the Calculation Agent determines that a Merger Event has occurred in respect of one or more of the Shares in the Basket, the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Merger Date less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement, and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the relevant Shares or to the Notes), and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event, which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; and/or
- (c) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the relevant “Shares” and the relevant “Share Issuer”, respectively, and if the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, determines to be appropriate, the Issuer will adjust any relevant terms of the Notes as it may determine.

The Issuer shall give notice of such redemption, adjustment or deemed change to Noteholders in accordance with Condition 10 of the General Conditions.

(iii) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred in respect of one or more of the Shares in the Basket, then on or after the relevant Tender Offer Date the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Tender Offer Date less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or

taxes incurred by the Issuer in respect of any such Hedging Arrangement and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or

- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

The Issuer shall give notice of such redemption or adjustment to Noteholders in accordance with Condition 10 of the General Conditions.

(iv) Nationalisation, Insolvency or De-listing

If in respect of one or more of the Shares in the Basket or a Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may:

- (a) request the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, to determine the appropriate adjustment, if any, to be made to any one or more of the Final Redemption Amount and/or the Strike Price and/or any of the other terms and conditions of the Notes (including the amount of interest payable, if any) to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment; or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the nationalisation, Insolvency or De-listing less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(v) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes (including the amount of interest payable, if any) as it may deem necessary or, with respect to the

Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

(vi) Price Correction

In the event that any price or level published on an Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange within three Business Days (or such other period as may be specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(vii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which any of the Shares are quoted, listed and/or dealt in on the Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(viii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred in respect of one or more of the Shares in the Basket, the Issuer may:

- (a) make any adjustment or adjustments to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate (including, without limitation, to the Final Redemption Amount, the Automatic Early Redemption Amount, the Initial Share Price, the Final Share Price, the Strike Price and the amount of interest payable, if any) and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of determination made pursuant to this paragraph and of any adjustment and/or redemption of

the Notes shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ix) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines appropriate to preserve the economic terms of the Notes. The Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.”

## 5. Delivery of Share Amount

For the purposes of the Notes, if “Share Delivery” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Delivery of Share Amounts:*

(i) Delivery of Share Amounts

If the Notes are to be redeemed by the delivery of the Share Amounts, the Issuer shall, on the Share Delivery Date, deliver or procure the delivery of the Share Amount in respect of each Note to such account in such clearing system as may be specified by the relevant Noteholder, at the risk and expense of the relevant Noteholder. If a Noteholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer to effect any required delivery of Shares, the due date for such delivery shall be postponed accordingly. The Issuer shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “delivery” in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and “deliver” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any Noteholder or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of the Noteholder or any other person as the registered shareholder in any register of members of the relevant Share Issuer.

Noteholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and any share registrar and the effect of any Settlement Disruption Events.

The Issuer shall not at any time be obliged to account to a Noteholder for any amount or entitlement that it receives by way of a dividend or other distribution in respect of any of the Shares. Dividends and distributions in respect of the Shares which constitute a Potential Adjustment Event may however result in an adjustment being made pursuant to Condition 5(m) of the General Conditions.

Neither the Issuer nor any other person shall (a) be under any obligation to deliver (or procure any other person to deliver) to the Noteholders or any other person any letter, certificate, notice, circular

or any other document received by that person in its capacity as the holder of the Shares, (b) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to the Shares or (c) be under any liability to the Noteholders or any subsequent beneficial owners of the Shares in respect of any loss or damage which any Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of the Shares.

(ii) Settlement Disruption

If the Issuer determines that delivery of any Share Amount (or part thereof) in respect of any Note by the Issuer in accordance with the terms and conditions of the Notes is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Share Delivery Date in respect of such Share Amount (or part thereof) shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given in accordance with Condition 10 of the General Conditions, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Share Amount (or part thereof) using such other commercially reasonable manner as it may select and in such event the Share Delivery Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount (or part thereof) in such other commercially reasonable manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Share Delivery Date for the Shares comprising such Share Amount which are not affected by the Settlement Disruption Event will be the originally designated Share Delivery Date.

For so long as delivery of the Share Amount (or part thereof) in respect of any Note is not practicable or permitted by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of each Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 10 of the General Conditions. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 10 of the General Conditions.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 10 of the General Conditions if a Settlement Disruption Event has occurred.

(iii) Aggregate Share Amount

The aggregate Share Amount to which a Noteholder may be entitled will be determined on the basis of the separate (for the avoidance of doubt, not aggregate) number of Notes held by the relevant Noteholder. The Issuer shall not be obliged to deliver fractions of a Share but shall be obliged to account for the Fractional Cash Amount of any such fractions to the relevant Noteholder on the Share Delivery Date and each such Share Amount to be delivered shall be rounded down to the next integral number of Shares.”

## 6. Automatic Early Redemption

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(o) as follows:

“(o) *Automatic Early Redemption:*



Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”

#### **7. Prescription**

For the avoidance of doubt, Condition 7 of the General Conditions shall apply to the Notes and claims for delivery of any Share Amount in respect of the Notes shall become void upon the expiry of five years from the Share Delivery Date.

## PART 2 - FORM OF FINAL TERMS FOR SHARE LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Share Linked Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance S.A.**

**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units] "[Title of Notes]"  
issued pursuant to a  
EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant Article 16 of the Prospectus Directive, in each case, in relation to such offer; or
- (ii) in those Public Offer Jurisdictions mentioned in Paragraph 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1[,] [and] the [Single /Basket] Share Linked Conditions set forth in Chapter 3, Part 1 ([A/B]) [and the [Single/Basket] Index Linked Condition set forth in Chapter 4, Part 1 ([A/B])] of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time, (the "Prospectus Directive"))<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base

Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

<sup>#</sup>*[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

\**[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only include if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy:* The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Bonds” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].

*[Only include if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy:* The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Certificates” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 [,] [and] the [Single/Basket] Share Linked Conditions set forth in Chapter 3, Part 1 ([A/B]) [and the [Single/Basket] Index Linked Conditions set forth in Chapter 4, Part 1 [A/B]] of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the “Base Prospectus”)]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “Prospectus Directive”)]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth herein) and [current date] (other than with respect to the Conditions set forth herein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the*

*numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

#### GENERAL DESCRIPTION OF THE NOTES

- |    |  |   |
|----|--|---|
| 1. | Issuer   | ING Belgium International Finance S.A.  |
| 2. | Guarantor  | ING Belgium SA/NV   |
| 3. | [(i)] Series Number:                                       | [●]   |
|    | [(ii)] Tranche Number:                                     | [●]   |
|    |  | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]</i>  |
| 4. | Specified Currency or Currencies:                          | [●]   |
| 5. | Aggregate Nominal Amount [of Notes admitted to trading]**: | [●][[●] Units] <sup>u</sup>   |
|    | (i) Tranche:   | [●][[●] Units] <sup>u</sup>   |
|    | (ii) Series:   | [●][[●] Units] <sup>u</sup>   |
|    |  | <i>(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)</i>  |
| 6. | Issue Price:   | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Notes)]<br>[[●] per Unit] <sup>u</sup>  |
| 7. | Offer price, offer period and application process:         | [Applicable/Not Applicable]<br><i>(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)</i><br><i>[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period]. Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.])</i><br><i>(If relevant give time periods during which the offer will be open and description of the application process)</i> |

- (If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors.)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●]/[1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof [up to and including [EUR 199,000 ].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon]  
 [Dual Currency Interest]  
 [Variable-linked Interest]  
 [specify other]  
*(further particulars specified below)*
13. Redemption/Payment Basis: [Redemption at par]  
 [Dual Currency Redemption]  
 [Partly Paid]  
 [Instalment]  
 [specify other]  
*(further particulars specified below)*

14. Change of Interest Basis or Redemption/ Payment Basis: [Not Applicable]  
[Applicable][Specify details of any provision for change of Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put]  
[Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

- 18. Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/  
[specify other] [, subject to adjustment in accordance with  
[specify Business Day Convention] (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
*[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/ Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*  
*(NB: This will need to be amended in the case of regular*

- interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/ Following Business Day Convention (Unadjusted)/ Modified Following Business Day Convention (Adjusted)/ Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/ *specify other*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]  
 [The Interest Amount payable, if any, on the Specified Interest Payment Date immediately following the relevant Observation Date shall be determined in accordance with the following:  
 If, on the relevant Observation Date, the Price of [the Share] [each and every Share in the Basket] [at least one of the Shares in the Basket] is [higher than] [higher than or equal to] [lower than] [and/or] [lower than or equal to] its relevant *specify relevant barrie(s)*, an amount per Note equal to [●]]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)*
- Interest Determination [●]

- Date(s): *(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (vii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- (viii) Margin(s): [+/-] [●] per cent. per annum
- (ix) Minimum Rate of Interest: [●] per cent. per annum
- (x) Maximum Rate of Interest: [●] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual;  
Actual/Actual (ISDA);  
Actual/365 (Fixed);  
Actual/365 (Sterling);  
Actual/360;  
30/360;  
360/360;  
Bond Basis  
30E/360;  
Eurobond Basis; 30E/360 (ISDA)  
[Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)*]
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes or Variable-linked Interest Note, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior*



*to the date fixed for redemption)*

*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Reference Price: [•]
  - (iii) Any other formula/basis of determining amount payable: [•]
  - (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/specify other]  
*(Consider applicable Day Count Fraction if not U.S. dollar denominated)*
21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [•]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [•]  
*[If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

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

22. Issuer Call: [Applicable/Not Applicable] *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [•][per Note of [•] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [•]

- (b) Maximum Redemption Amount of each Note: [●]
- (iv) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●][per Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●][per Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>/specify other]  
*(N.B. formula to specify any multiplier; if applicable)*  
 [If the Final Share Price of [the Share] [each and every Share in the Basket] [at least one of the Shares in the Basket] is [higher than] [higher than or equal to][lower than] [and/or] [lower than or equal to] its relevant [specify relevant barrier(s)], by [payment of the Final Redemption Amount, which shall be an amount per Note equal to [●]] [delivery of the Share Amount of [specify Share].]
- (For Italian Certificates only:)
- (i) Renouncement Notice Date: [Not Applicable/specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value*

- that set out in Condition 5(e) of the General Conditions): *(if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
- (iii) Other (Condition 5(k) of the General Conditions): [Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
 New Global Note: [Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*  
 [Permanent Global Note not exchangeable for Definitive Notes]  
*[For Italian Certificates and Italian Bonds cleared through Monte Titoli S.p.A. specify “dematerialised – registration upon issue in the books of Monte Titoli S.p.A.”]*
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details]

*[specify Calculation Agent if other than Guarantor]*

*(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

[In respect of Notes linked to a basket containing a single share and single index, General Conditions 5 (l), 5 (m), 5 (n) and 5 (o) as amended by Conditions 3, 4, 5 and 6 of the Single Share Linked Conditions respectively shall apply to the single share component of the Notes and General Conditions 5 (l), 5 (m) and 5 (n) as amended by Conditions 3, 4 and 5 of the Single Index Linked Conditions respectively shall apply to the single index component of the Notes.]

[In respect of Notes linked to a basket containing a single share and a basket of indices, General Conditions 5 (l), 5 (m), 5 (n) and 5 (o) as amended by Conditions 3, 4, 5 and 6 of the Single Share Linked Conditions respectively shall apply to the single share component of the Notes and General Conditions 5 (l), 5 (m) and 5 (n) as amended by Conditions 3, 4 and 5 of the Basket Index Linked Conditions respectively shall apply to the index basket component of the Notes.]

[In respect of Notes linked to a basket containing a Basket of Shares and single index, General Conditions 5(l), 5(m), 5(n) and 5(o) as amended by Conditions 3, 4, 5 and 6 of the Basket Share Linked Conditions respectively shall apply to the share basket component of the Notes and General Conditions 5(l), 5(m) and 5(n) as amended by Conditions 3, 4 and 5 of the Single Index Linked Conditions respectively shall apply to the single index component of the Notes.]

[In respect of Notes linked to a basket containing a Basket of Shares and basket of indices, General Conditions 5(l), 5(m), 5(n) and 5(o) as amended by Conditions 3, 4, 5 and 6 of the Basket Share Linked Conditions respectively shall apply to the share basket component of the Notes and General Conditions 5(l), 5(m) and 5(n) as amended by Conditions 3, 4 and 5 of the Basket Index Linked Conditions respectively shall apply to the index basket component of the Notes.]

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*:

[Not Applicable/give names, addresses and underwriting commitments]

*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*

*(Where not all of the issue is underwritten, indicate the portion not covered)*

- (ii) [Date of Syndication Agreement: [●]]\*

- [(ii)/(iii)] Stabilising Manager (if any): [●]
32. If non-syndicated, name [and address]\* of relevant Dealer: [*specify name [and address]\* of dealer/Not Applicable. The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)*]  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the "FINMA") as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]  
[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.**]
35. (i) Simultaneous offer: [Not Applicable/give details]  
(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [*specify, if applicable*]] other than pursuant to Article 3(2) of the Prospectus Directive in [*specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported*] ("Public Offer Jurisdictions") during the periods from [*specify date*] [and from [*specify date*] until [*specify date*] ("Offer Period"). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** [*specify as applicable or delete if N/A*]
- Scheduled Valuation Date: [*specify*]

- Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
- Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date]* [In accordance with Condition 15 of the General Conditions]
- Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
- Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
- Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*
- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
- Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
- Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
- Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
- Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* [In accordance with Condition 15 of the General Conditions]
- Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]*
  - Other: *[Applicable/Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify] [Not Applicable]*
  - Other: *[Applicable/Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify] [Not Applicable]*
  - Any changes to Condition 15(d): *[specify / None]*

### SHARE LINKED PROVISIONS

38. *[The following apply only to Notes which have a single share component (i.e. linked to a (i) single share only, (ii) basket containing a single share and single index or (iii) basket containing a single share and basket of indices) and terms used in the following item 38 shall be deemed to be defined as such for the purposes of the conditions set forth in Chapter 3, Part 1 (A) of the Base Prospectus dated 29 June 2012:*

Definition of Additional Disruption

Event:

Change in Law: *[Applicable/Not Applicable/specify]*

Hedging Disruption: *[Applicable/Not Applicable/specify]*

Insolvency Filing: *[Applicable/Not Applicable/specify]*

Exchange Traded Fund Disruption Event: *[Applicable/Not Applicable]*

Underlying Index Disruption Event: *[Applicable/Not Applicable]*

Other Additional Disruption Events, if

any: *[specify / None]*

Automatic Early Redemption: *[Applicable/ Not Applicable]*  
*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount:	<i>[specify or delete if N/A]</i>
- Automatic Early Redemption Date(s):	<i>[specify date(s) or delete if N/A]</i> <i>[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]</i>
- Automatic Early Redemption Event:	<i>[higher than/higher than or equal to/lower than/lower than or equal to/other-specify] [complete as appropriate]</i>
- Automatic Early Redemption Price:	<i>[specify or delete if N/A]</i>
- Automatic Early Redemption Rate:	<i>[specify or delete if N/A]</i>
- Automatic Early Redemption Valuation Date(s):	<i>[specify date(s) or delete if N/A]</i>
Averaging Dates:	<i>[specify date(s) or delete if N/A]</i>
Barrier Level:	<i>[specify as <i>[[●]</i> per cent. of Initial Share Price</i> or delete if N/A]
Business Day:	<i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open].</i>
Constant Monitoring:	<i>[specify as applicable and delete “Valuation Time Only” below or delete if N/A]</i>
Exchange:	<i>[specify]</i>
Expiration Date:	<i>[specify date or delete if N/A]</i>
Final Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(A), not to apply or state if N/A]</i>
Initial Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(A), not to apply or state if N/A]</i>
Observation Date(s):	<i>[specify or delete if N/A]</i>
Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]] or delete if N/A]</i>
Share Amount:	<i>[specify formula or delete if N/A]</i>
Share Currency:	<i>[specify]</i>
Share Delivery:	<i>[specify as applicable or delete if N/A; if applicable, specify in which circumstances share delivery may occur (at the option of the Issuer; if share price reaches certain level, etc.)]</i>
Share Delivery Date:	<i>[specify or delete if N/A]</i> , subject to Condition 5(n)(ii) of the General Conditions and, if such day is not a Delivery Day,



- the first succeeding Delivery Day.
- Share Issuer: *[specify]*
- Shares: *[name and short description of type of shares] issued by the Share Issuer (ISIN: [●]).*
- Exchange Traded Fund: *[Applicable/Not Applicable].*
- Underlying Index: *[specify or delete if N/A]*
- Strike Date: *[specify or delete if N/A]*
- Strike Price: *[specify or delete if N/A]*
- Valuation Time Only: *[specify as applicable and delete "Constant Monitoring" above or delete if N/A]*  
*[Insert any other relevant terms]]*
39. *[The following apply only to Notes with share basket component (i.e. linked to a (i) a Basket of Shares only, (ii) basket containing a Basket of Shares and a single index or (iii) basket containing a Basket of Shares and basket of indices) and terms used in the following item 39 shall be deemed to be defined as such for the purposes of the conditions set forth in Chapter 3, Part 1 (B) of the Base Prospectus dated 29 June 2012:*
- Definition of Additional Disruption Event:
- Change in Law: *[Applicable/Not Applicable/specify]*
- Hedging Disruption: *[Applicable/Not Applicable/specify]*
- Insolvency Filing: *[Applicable/Not Applicable/specify]*
- Exchange Traded Fund Disruption Event: *[Applicable/Not Applicable]*
- Underlying Index Disruption Event: *[Applicable/Not Applicable]*
- [Other Additional Disruption Events, if any]: *[specify / None]*
- Automatic Early Redemption: *[Applicable/ Not Applicable]*  
*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*
- Automatic Early Redemption Amount: *[specify or delete if N/A]*
- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*  
*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Price of one or more Shares in the Basket; specify the applicable Share(s)]*  
*[higher than/ higher than or equal to/ lower than/ lower than or equal to/ other-specify]*  
*[complete as appropriate]*
- Automatic Early Redemption Price(s): *[specify or delete if N/A]*
- Automatic Early Redemption Rate: *[specify or delete if N/A]*

- Automatic Early Redemption Valuation Date(s):	<i>[specify date(s) or delete if N/A]</i>
Averaging Dates:	<i>[specify dates or delete if N/A]</i>
Barrier Level:	<i>[specify as [[●] per cent. of Initial Share Price] or delete if N/A]</i>
“Basket” means a basket composed of Shares in the relative [proportions/numbers of Shares] of each Share Issuer specified below:	
[Insert details of:	
• Share	<i>[name and short description of type of shares].</i>
• Share Issuer	<i>[specify]</i>
• [Proportion/number of Shares]	<i>[specify]</i>
• ISIN number	<i>[specify]</i>
• Exchange	<i>[specify]</i>
• Exchange Traded Fund	<i>[Applicable/Not Applicable].</i>
Where Exchange Traded Fund is	<i>specified to be Not Applicable, delete the paragraphs below]</i>
Underlying Index	<i>[specify details of the Underlying Index or delete if N/A]</i>
[Replicate the details in respect of	<i>each Share in the Basket]</i>
Business Day:	<i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET system is open].</i>
Constant Monitoring:	<i>[specify as applicable and delete “Valuation Time Only” below or delete if N/A]</i>
Exchange:	<i>[specify]</i>
Expiration Date:	<i>[specify date or delete if N/A]</i>
Final Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(B) not to apply or state if N/A]</i>
Initial Share Price:	<i>[specify if fallback provisions in Chapter 3, Part 1(B) not to apply or state if N/A]</i>
Observation Date(s):	<i>[specify or delete if N/A]</i>
Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]] or delete if N/A]</i>
Share Amount:	<i>[specify formula or delete if N/A]</i>
Share Currency:	<i>[specify]</i>
Share Delivery:	<i>[specify as applicable or delete if N/A; if applicable, specify in which circumstances share delivery may occur (at the option of the Issuer; if share price reaches certain level, etc.)]</i>
Share Delivery Date:	<i>[specify or delete if N/A], subject to Condition 5(n)(ii) of the General Conditions and, if such day is not a Delivery Day, the first succeeding Delivery Day.</i>
Strike Date:	<i>[specify or delete if N/A]</i>

Strike Price:	<i>[specify or delete if N/A]</i>
Valuation Time Only	<i>[specify as applicable and delete “Constant Monitoring” above or delete if N/A]</i> <i>[Insert any other relevant terms]]</i>

## INDEX LINKED PROVISIONS

- 40 *[The following apply only to Notes with a single index component (i.e. linked to a (i) basket containing a single share and single index or (ii) basket containing a Basket of Shares and a single index) and terms used in the following item 40 shall be deemed to be defined as such for the purposes of the conditions set forth in Chapter 4, Part 1 (A) of the Base Prospectus dated 29 June 2012:*
- Definition of Additional Disruption Event:
- |   |   |
|---|---|
| Change in Law                                   | <i>[Applicable/Not Applicable/specify]</i>  |
| Hedging Disruption                              | <i>[Applicable/Not Applicable/specify]</i>  |
| Other Additional Disruption Events, i           | <i>[specify / None]</i>   |
| any   |   |
| Automatic Early Redemption:                     | <i>[Applicable/ Not Applicable]</i><br><i>[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]</i>   |
| – Automatic Early Redemption Amount:            | <i>[specify or delete if N/A]</i>   |
| – Automatic Early Redemption Date(s):           | <i>[specify date(s) or delete if N/A]</i><br><i>[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]</i> |
| – Automatic Early Redemption Event:             | <i>[higher than/ higher than or equal to/ lower than/ lower than or equal to/ other-specify] [complete as appropriate]</i>  |
| – Automatic Early Redemption Level:             | <i>[specify or delete if N/A]</i>   |
| – Automatic Early Redemption Rate:              | <i>[specify or delete if N/A]</i>   |
| – Automatic Early Redemption Valuation Date(s): | <i>[specify date(s) or delete if N/A]</i>   |
| Averaging Dates:                                | <i>[specify date(s) or delete if N/A]</i>   |
| Barrier Level:                                  | <i>[specify as [[●] per cent. of Initial Index Level] or delete if N/A]</i>   |
| Business Day:                                   | <i>[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET system is open].</i>                     |
| Constant Monitoring:                            | <i>[specify as applicable and delete “ Official Closing Level Only” below or delete if N/A]</i>   |
| Exchange(s):                                    | <i>[specify or delete if N/A]</i>   |
| Expiration Date:                                | <i>[specify or delete if N/A]</i>   |
| Final Index Level:                              | <i>[specify or delete if fallback provisions in Chapter 4,; Part 1 (A) to apply]</i>  |
| Index:  | <i>[specify]</i>  |
| Index Sponsor:                                  | <i>[specify or delete if fallback provisions in Chapter 4,; Part 1 (A) to apply]</i>  |
| Initial Index Level:                            | <i>[specify or delete if fallback provisions in Chapter 4,; Part 1</i>  |

	(A) to apply]
Observation Date(s):	[specify or delete if N/A]
Observation Period:	[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●] or delete if N/A]
Official closing Level only:	[specify as applicable and delete “Constant Monitoring” above or delete if N/A]
Strike Date:	[specify or delete if N/A]
Strike Price	[specify or delete if N/A]
	[insert any other relevant terms]
41	[The following apply only to Notes with an index basket component (i.e. linked to (i) basket containing a single share and basket of indices or (ii) basket containing a Basket of Shares and basket of indices) terms used in the following item 41 shall be deemed to be defined as such for the purposes of the conditions set forth in Chapter 4, Part 1 (A) of the Base Prospectus dated 29 June 2012:
Definition of Additional Disruption Event:	
Change in Law	[Applicable/Not Applicable/specify]
Hedging Disruption	[Applicable/Not Applicable/specify]
Other Additional Disruption Events, if any	[specify / None]
Automatic Early Redemption:	[Applicable/ Not Applicable] [If not applicable, state not applicable and delete the automatic early redemption provisions which follow]
– Automatic Early Redemption Amount:	[specify or delete if N/A]
– Automatic Early Redemption Date(s):	[specify date(s) or delete if N/A] [If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]
– Automatic Early Redemption Event:	[specify whether the Automatic Early Redemption Event is triggered by the level of one or more Indices in the Basket; specify the applicable Index/Indices] [higher than/higher than or equal to/lower than/lower than or equal to/other-specify] [complete as appropriate]
– Automatic Early Redemption Level(s):	[specify or delete if N/A]
– Automatic Early Redemption Rate:	[specify or delete if N/A]
– Automatic Early Redemption Valuation Date(s):	[specify date(s) or delete if N/A]
Averaging Dates:	[specify dates or delete if N/A]
Barrier Level:	[specify as [[●] per cent. of Initial Level] or delete if N/A]
Basket:	[specify names of Indices and their weightings] [indicate which are Multi-Exchange Indices and which are Non-Multi-Exchange Indices]
Business Day:	[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET system is open].
Constant Monitoring:	[specify as applicable and delete “ Official Closing Level Only” below or delete if N/A]
Exchange(s):	[specify or delete if N/A]
Expiration Date:	[specify or delete if N/A]
Final Index Level:	[specify or delete if fallback provisions in Chapter 4, Part 1

Index Sponsor:	<i>(B) to apply</i> <i>[specify or delete if fallback provisions in Chapter 4, Part 1 (B) to apply]</i>
Initial Index Level:	<i>[specify or delete if fallback provisions in Chapter 4, Part 1 (B) to apply]</i>
Observation Date(s):	<i>[specify or delete if N/A]</i>
Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●] or delete if N/A]</i>
Official closing Level only:	<i>[specify as applicable and delete “Constant Monitoring” above or delete if N/A]</i>
Strike Date:	<i>[specify or delete if N/A]</i>
Strike Price:	<i>[specify or delete if N/A]</i> <i>[insert any other relevant terms]</i>

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange /the Italian Stock Exchange/*specify relevant regulated market*] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/ other (*specify*)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/other (*specify*)] with effect

from [●] [ the first day of “as-if-when-issued- trading”].]

[Not Applicable.]

*[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*]*

- (iii) As-if-and-when-issued-trading: [Three Business Days preceding the Issue Date/Not Applicable]
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*
- (v) [Minimum Transferable Amount][applicable only to Italian Certificates to be listed on SeDeX or on other markets which provide so] [Specify / Not Applicable]

## 2. RATINGS

Ratings:

The Issuer has not been assigned any rating.

Neither the Programme nor the issue of this Tranche of Notes has been rated.

The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

## 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for the Dealer or distributors, then describe those in this section)*

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

[(i) Reasons for the offer

[●]]

*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include*

*those reasons here.)]*

(ii) Estimated net proceeds

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

**6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\**

*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

**7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\***

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

**8. INFORMATION CONCERNING THE UNDERLYING**

*[Need to include details of where information on the past and future performance and volatility of the underlying shares can be obtained, the name of the issuer(s) of the underlying share(s) and ISIN/other identification code of the underlying share(s) and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\***

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

**11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**12. OPERATIONAL INFORMATION**

- |        |   |   |
|--------|---|---|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)   | ISIN CODE:  | [●]   |
| (iii)  | Common Code:  | [●]   |
| (iv)   | Other relevant code:  | [●] [Not Applicable]  |
| (v)    | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]   |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [●]   |
| (viii) | Name and address of Calculation Agent:                                    | [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]  |

**13 [FURTHER ADDITIONAL INFORMATION]**

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)]

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**Notes:**



- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000.]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000.]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form.]

## CHAPTER 4 - INDEX LINKED NOTES

### PART 1(A) - TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE INDEX

The terms and conditions applicable to Notes linked to a single index issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Single Index Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Index Linked Conditions, the Single Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 5(a) of the General Conditions the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 5(l) and 5(m) of the General Conditions) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms. The Final Redemption Amount may depend upon whether the Index Level is (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to”, the relevant barrier(s), as specified in the applicable Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption and/or such other event (if any) specified as such in the applicable Final Terms.

“**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.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

“**Automatic Early Redemption Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Automatic Early Redemption Event**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Index Level is, as specified in the applicable Final Terms, (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to” the Automatic Early Redemption Level or any relevant barrier(s) as specified for the purposes of Automatic Early Redemption Event in the applicable Final Terms.

**“Automatic Early Redemption Level”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the Index Level specified as such or otherwise determined in the applicable Final Terms.

**“Automatic Early Redemption Rate”** means, in respect of any Automatic Early Redemption Date and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Averaging Dates”** means, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Change in Law”** means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) hold, acquire or dispose of any Component of the Index or to enter into transactions on or relating to any Component of the Index or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Component of the Index, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**“Component”** means in respect of an Index, any shares, equity options or other component comprised in such Index. If the Index itself comprises or includes one or more other Indices, “Component” shall be read and construed as the relevant underlying shares, equity options or other components.

**“Disrupted Day”** means any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the Index (ii) the Exchange fails to open for trading during its regular trading session, (iii) any Related Exchange fails to open for trading during its regular trading session or (iv) on which a Market Disruption Event has occurred.

**“Early Closure”** means the closure on any Exchange Business Day of the relevant Exchange(s) or Related Exchange(s), if any, prior to its/their Scheduled Closing Time unless such earlier closing time is announced by the relevant Exchange(s) or Related Exchange(s) 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 relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.

**“Exchange(s)”** means in respect of any securities comprised in the Index, the stock exchanges (from time to time) on which in the determination of the Issuer such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the Index has temporarily been relocated (provided

that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding such relevant Exchange or any such relevant Related 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) the ability of market participants in general (i) to effect transactions in, or obtain market values for, if the securities comprised in the Index are listed on multiple Exchanges, any security comprised in the Index on any relevant Exchange or, if, the securities comprised in the Index are listed on a single Exchange, the securities that comprise 20 per cent. or more of the level of the Index on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on any relevant Related Exchange.

**“Expiration Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Final Index Level”** means the level of the Index at the Valuation Time on the Expiration Date, as calculated and published by the Index Sponsor (or such other definition, if any, as may be specified in the Final Terms).

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the entry into of any transaction(s) and/or purchase and/or sale of any Component of the Index or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer and/or the Guarantor under the Notes and any associated foreign exchange transactions.

**“Hedging Disruption”** means that the Issuer, the Guarantor and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of any Component of the Index and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of any Component and/or any Hedging Arrangement and/or (c) any other event specified as such in the applicable Final Terms.

**“Index”** means the index specified in the Final Terms, or any Successor Index.

**“Index Cancellation”** means the Index Sponsor cancels the Index and no Successor Index exists.

**“Index Disruption”** means the Index Sponsor fails to calculate and announce the Index Level.

**“Index Level”** means, on any relevant Scheduled Trading Day, the level of the Index, as calculated and published by the Index Sponsor, (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Scheduled Trading Day or (ii) if “Official Closing Level Only” is specified as being applicable in the Final Terms, the official closing level of the Index on such Scheduled Trading Day.

**“Index Modification”** means the Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and capitalisation and other routine events).

**“Index Sponsor”** means unless otherwise specified in the applicable Final Terms the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces

(directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

**“Initial Index Level”** means the level of the Index at the Valuation Time on the Strike Date, as calculated and published by the Index Sponsor (or such other definition, if any, as may be specified in the Final Terms).

**“Market Disruption Event”** means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines in its sole discretion is material at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, provided that, if the securities comprised in the Index are listed on multiple Exchanges, the securities comprised in the Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of the Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the 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 (x) the portion of the level of the Index attributable to that security and (y) the overall level of the Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

**“Observation Date”** means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Related Exchange”** means each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the 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 the Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

**“Scheduled Trading Day”** means if, any day on which the Index Sponsor is scheduled to publish the level of the Index and any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“Successor Index”** means where the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, such successor index or index calculated and announced by the successor sponsor.

**“Trading Disruption”** means any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or the relevant Related Exchange or otherwise (i) the securities comprised in the Index are listed on multiple Exchanges, on any relevant Exchange(s) relating to any security comprised in the Index or, if the securities comprised in the Index are listed on a single Exchange, on the Exchange relating to securities that comprise 20 per cent or more of the level of the Index, or (ii) in futures or options contracts relating to the Index on a Related Exchange.

**“Valuation Time”** means the Scheduled Closing Time on the relevant date. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, in respect of the Index is a Disrupted Day, then the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, in respect of the Index, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the level of the Index on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); and/or
- (c) the Issuer may make any adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount, any Index Level, the Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred on the Expiration Date and/or any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic

Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is index-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period specified in the Final Terms) following the postponed Expiration Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes and/or any adjustment to any term of the Notes pursuant to this Condition 5(l)."

#### 4. Adjustments, Consequences of Certain Events and Currency

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments, Early Redemption and Currency*

##### 1. Adjustments and Early Redemption

If the Calculation Agent determines that an Additional Disruption Event, Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), the Strike Price, any Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) (each such other event, a “**Relevant Event**”), the Issuer, at its discretion, may:

- (a) make any adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), the Strike Price, any Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Additional Disruption Event, Index Modification, Index Cancellation, Index Disruption or Relevant Event, as applicable, less, unless specified otherwise in the Final Terms, the cost to the Issuer (or the Guarantor) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or the Guarantor) in respect of any such Hedging Arrangement and provided further that such costs, expenses, fees or taxes shall not be taken into account with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination pursuant to this Condition 5(m)(i), any such adjustment and/or any redemption of the Notes hereunder shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

2. Change of Exchange

If the or an Exchange is changed, the Issuer may make such consequential modifications to any of the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes (including the amount of interest payable, if any) as it may deem necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

3. Price Correction

In the event that any price or level published on the relevant Exchange(s) or by the Index Sponsor and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange(s) or Index Sponsor(s) within three Business Days (or such other period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

4. Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (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, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.”

**5. Automatic Early Redemption**

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”



**6. Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and the Index Sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer, nor the Guarantor nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer, nor the Guarantor nor the Calculation Agent has any affiliation with or control over the Index or the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Issuer, the Guarantor and the Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information.

## **PART 1(B) - TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF INDICES**

The terms and conditions applicable to Notes linked to a basket of indices shall comprise the Terms and Conditions set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Basket Index Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Basket Index Linked Conditions, the Basket Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Basket Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

### **1. Final Redemption**

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 5(a) of the General Conditions the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 5(l) and 5(m) of the General Conditions)) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms. The Final Redemption Amount may depend upon whether the Index Level of any Index in the Basket, or all of the Indices in the Basket, is (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to”, the relevant barrier(s), as specified in the applicable Final Terms.

### **2. Definitions**

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption and/or such other event (if any) specified as such in the applicable Final Terms.

“**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.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or per Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or per Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

“**Automatic Early Redemption Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Automatic Early Redemption Event**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Index Level of one or more Indices (as specified in the applicable Final Terms) is, as specified in the applicable Final Terms, (i) “higher than”, (ii) “higher than or equal to”, (iii) “lower than” and/or (iv) “lower than or equal to” the Automatic Early Redemption Level(s) or any relevant barrier(s) as specified for the purposes of Automatic Early Redemption Event in the applicable Final Terms

“**Automatic Early Redemption Level(s)**” means, if “Automatic Early Redemption” is specified as

being applicable in the Final Terms, the Index Level(s) specified as such or otherwise determined in the applicable Final Terms.

**“Automatic Early Redemption Rate”** means, in respect of any Automatic Early Redemption Date and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Averaging Dates”** means, in respect of an Index, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Trading Day in respect of the relevant Index, the next following Scheduled Trading Day in respect of that Index, in each case subject to Condition 5(l) of the General Conditions.

**“Basket”** means a basket composed of the Indices specified in the Final Terms.

**“Change in Law”** means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) hold, acquire or dispose of any Component of the Index or to enter into transactions on or relating to any Component of the Index or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Component of the Index, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**“Component”** means in respect of an Index, any shares, equity options or other component comprised in such Index. If the Index itself comprises or includes one or more other Indices, “Component” shall be read and construed as the relevant underlying shares, equity options or other components.

**“Disrupted Day”** means, in respect of an Index, any Scheduled Trading Day on which (i) the relevant Index Sponsor fails to publish the level of the relevant Index, (ii) the relevant Exchange fails to open for trading during its regular trading session, (iii) any Related Exchange fails to open for trading during its regular trading session or (iv) on which a Market Disruption Event has occurred.

**“Early Closure”** means, in respect of an Index, the closure on any Exchange Business Day of any relevant Exchange(s) or Related Exchange(s) prior to its/their Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.

**“Exchange(s)”** means in respect of any securities comprised in the Index, the stock exchanges (from time to time) on which in the determination of the Issuer such securities are listed for the purposes of such

Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the relevant Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means, in respect of an Index, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of an 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, (x) the securities comprised in the Index are listed on multiple Exchanges, any security comprised in such Index on any relevant Exchange and (y) if the securities comprised in the Index are listed on a single Exchange, securities that comprise 20 per cent. or more of the level of such Index on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

**“Expiration Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Final Index Level”** means, in respect of an Index, the level of the Index at the Valuation Time on the Expiration Date, as calculated and published by the Index Sponsor (or such other definition, if any, as may be specified in the Final Terms).

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the entry into of any transaction(s) and/or purchase and/or sale of any Component of any of the Indices or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer and the Guarantor under the Notes and any associated foreign exchange transactions.

**“Hedging Disruption”** means that the Issuer, the Guarantor and/or its Affiliates is unable, after using commercially reasonable efforts, to (A) hold, acquire, re-establish, substitute, maintain, unwind or dispose of any Component of any of the Indices and/or any Hedging Arrangement, or (B) realise, recover or remit the proceeds of any Component of any of the Indices and/or any Hedging Arrangement and/or (c) any other event specified as such in the applicable Final Terms.

**“Index”** means one of the indices specified in the definition of Basket or any Successor Index, and **“Indices”** means all such indices together.

**“Index Cancellation”** means, in respect of an Index, the Index Sponsor in respect of such Index cancels the Index and no Successor Index exists.

**“Index Disruption”** means, in respect of an Index, the Index Sponsor in respect of such Index fails to calculate and announce the Index Level.

**“Index Level”** means, in respect of an Index, on any relevant Scheduled Trading Day, the level of the Index, as calculated and published by the Index Sponsor, (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Scheduled Trading Day or (ii) if “Official Closing Level Only” is specified as being applicable in the Final Terms, the official closing level of the Index on such Scheduled Trading Day.

**“Index Modification”** means, in respect of an Index, the relevant Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating such Index or in any other way materially modifies such Index (other than a modification prescribed in that

formula or method to maintain such Index in the event of changes in constituent securities and capitalisation and other routine events).

**“Index Sponsor”** means, unless otherwise specified in the applicable Final Terms, the corporation or entity as determined by the Calculation Agent 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 failing whom such person acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person.

**“Initial Index Level”** means, in respect of an Index, the level of the Index at the Valuation Time on the Strike Date, as calculated and published by the Index Sponsor (or such other definition, if any, as may be specified in the Final Terms).

**“Market Disruption Event”** means, in respect of an Index, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines in its sole discretion is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, provided that, if the securities comprised in the Index are listed on multiple Exchanges, the securities comprised in the relevant Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of such Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of the relevant Index attributable to that security and (y) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

**“Observation Date”** means, in respect of an Index, each date, if any, specified as such in the Final Terms or, if any such date is not a Scheduled Trading Day in respect of such Index, the next following such Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Related Exchange”** means, in respect of an Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any 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 the relevant Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

**“Scheduled Trading Day”** means, in respect of an Index, any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and any day on which each relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“Successor Index”** means, in respect of an Index, where such Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index, such successor index or index calculated and announced by the successor sponsor.

**“Trading Disruption”** means, in respect of an Index, any suspension of or limitation imposed on trading by a relevant Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or relevant Related Exchange or otherwise (i) if the securities comprised in the Index are listed on multiple Exchanges, on any relevant Exchange(s) relating to any security comprised in the relevant Index or, if the securities comprised in the Index are listed on a single Exchange, on the Exchange 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 Index on any relevant Related Exchange.

**“Valuation Time”** means the Scheduled Closing Time on the relevant date. If a relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, is a Disrupted Day in respect of an Index, then the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, for such Index shall be the first succeeding Scheduled Trading Day in respect of such Index that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, is a Disrupted Day for such Index. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be, for such Index, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the level of such Index on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating such Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the relevant Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day) and, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates; and/or
- (c) the Issuer may make any adjustment or adjustments to the Final Redemption Amount, the Automatic

Early Redemption Amount, any Index Level, the Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent acting in good faith and in accordance with reasonable market practice taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian Certificates.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Disrupted Day has occurred in respect of an Index on the Expiration Date and/or any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or amount of interest (if the payment of interest is index-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period specified in the Final Terms) following the postponed Expiration Date, Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be, in respect of the Indices. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day if it results in the postponement of any payment in respect of the Notes and/or any adjustment to any term of, the Notes pursuant to this Condition 5(l)."

#### 4. Adjustments, Consequences of Certain Events and Currency

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments, Early Redemption and Currency*

##### (i) Adjustments and Early Redemption

If the Calculation Agent determines that, in respect of any Index, an Additional Disruption Event, Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), the Strike Price, any Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) (each such other event, a **“Relevant Event”**) the Issuer, at its discretion, may:

- (a) make any adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), the Strike Price, any Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Additional Disruption Event, Index Modification, Index Cancellation, Index Disruption or Relevant Event, as applicable, less, unless specified otherwise in the Final Terms, the cost to the Issuer, the Guarantor (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs,

expenses, fees or taxes incurred by the Issuer, the Guarantor (or any of its Affiliates) in respect of any such Hedging Arrangement and provided further that such costs, expenses, fees or taxes shall not be taken into account with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination pursuant to this Condition 5(m)(i), any such adjustment and/or any redemption of the Notes hereunder shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ii) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to the Strike Price, Final Redemption Amount, Valuation Time and such other terms and conditions of the Notes (including the amount of interest payable, if any) as it may deem necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

(iii) Price Correction

In the event that any price or level published on any relevant Exchange or by any relevant Index Sponsor in respect of an Index and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the relevant Exchange or the relevant Index Sponsor within three Business Days (or such other period as specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (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, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event.

The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.”

## 5. Automatic Early Redemption

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation



Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”

#### **6. Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by any of the Indices or any of the Index Sponsors and none of the Index Sponsors has made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Index and/or the levels at which any such Index stands at any particular time on any particular date or otherwise. None of the Index Sponsors shall be liable (whether in negligence or otherwise) to any person for any error in any relevant Index and none of the Index Sponsors are under any obligation to advise any person of any error therein. The Index Sponsors have made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer, nor the Guarantor nor the Calculation Agent shall have any liability to any person for any act or failure to act by any Index Sponsor in connection with the calculation, adjustment or maintenance of any Index. Neither the Issuer, nor the Guarantor nor the Calculation Agent has any affiliation with or control over any of the Indices or any of the Index Sponsors or any control over the computation, composition or dissemination of the Indices. Although the Issuer, the Guarantor and the Calculation Agent will obtain information concerning the Indices from publicly available sources they believe to be reliable, they will not independently verify this information.

## PART 2 - FORM OF FINAL TERMS FOR INDEX LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Index Linked Notes issued under the Programme.*

Final Terms dated [●]

### ING Belgium International Finance SA

**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units] <sup>u</sup> [Title of Notes]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single/Basket] Index Conditions set forth in Chapter 4, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the

Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only include if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy: The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Bonds" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].*

*[Only include if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy: The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Certificates" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single/Basket] Index Linked Conditions set forth in Chapter 4, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs*

*or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

1. Issuer ING Belgium International Finance S.A.
2. Guarantor ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●] [Units]<sup>u</sup>  
 (i) Tranche: [●] [Units]<sup>u</sup>  
 (ii) Series: [●] [Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note)]  
 [[●] per Units]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date)].*

- (If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors).*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR 1,000] in excess thereof [up to and including [EUR199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination, or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest]  
*[specify other]*  
*(further particulars specified below)*
13. Redemption/Payment Basis: [Redemption at par]  
 [Dual Currency Redemption]  
 [Partly Paid]  
 [Instalment]  
*[specify other]*

- (further particulars specified below)
14. Change of Interest Basis or Redemption/  
Payment Basis: [Not Applicable]  
[Applicable][Specify details of any provision for change of  
Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put]  
[Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the  
remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending  
Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/  
[specify other] [, subject to adjustment in accordance  
with [specify Business Day Convention] (as defined in  
Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or  
short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest  
Period, as defined in Condition 3(a) of the General  
Conditions, the Fixed Coupon Amount will be an amount  
equal to the [Specified Denomination/Calculation  
Amount] multiplied by the Rate of Interest multiplied by  
the Day Count Fraction with the resultant figure being  
rounded to the nearest sub-unit of the Specified Currency,  
half of any such sub-unit being rounded  
[upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest  
amounts per Specified Denomination (or Calculation  
Amount if one is specified in these Final Terms) which do  
not correspond with the Fixed Coupon Amount[s] and  
specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: *[30/360 or Bond Basis or Actual/Actual [(ICMA)] or  
specify other]  
[If using Day Count Fraction other than 30/360 or Bond  
Basis or Actual/Actual (ICMA), then either define it here  
or (if it is used in Condition 3(b) of the General  
Conditions) specify it has the meaning ascribed in  
Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date  
or maturity date in the case of a long or short first or last*

- coupon]*
- (NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*
- (NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/ Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/ Preceding Business Day Convention (Unadjusted) *[specify other]*]  
 [No Additional Business Centres/*specify other*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]  
 [The Interest Amount payable, if any, on the Specified Interest Payment Date immediately following the relevant Observation Date shall be determined in accordance with the following:  
 If, on the relevant Observation Date, the [Index Level] [Index Level of each and every Index in the Basket] [ Index Level of at least one of the Indices in the Basket] is [higher than] [higher than or equal to] [lower than] [and/or] [lower than or equal to] its relevant *[specify relevant barrier(s)]*, an amount per Note equal to [●]]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]  
 - Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provision in the General*

- Conditions)*
- Interest Determination Date(s): [●]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
  - Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (vii) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (viii) Margin(s): [+/-] [●] per cent. per annum
  - (ix) Minimum Rate of Interest: [●] per cent. per annum
  - (x) Maximum Rate of Interest: [●] per cent. per annum
  - (xi) Day Count Fraction: [Actual/Actual;  
Actual/Actual (ISDA);  
Actual/365 (Fixed);  
Actual/365 (Sterling);  
Actual/360;  
30/360;  
360/360;  
Bond Basis;  
30E/360;  
Eurobond Basis  
30E/360 (ISDA)  
[Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)]*
  - (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, Variable-linked Interest Notes if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is



- [●] per cent. per annum and Reference Price is [●]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/specify other]  
*(Consider applicable Day Count Fraction if not U.S. dollar denominated)*
21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
*[If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

#### PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination]  
[Calculation Amount] [Unit]<sup>u</sup>

- (iii) If redeemable in part:
- (a) Minimum Redemption Amount of each Note: [●]
- (b) Maximum Redemption Amount of each Note: [●]
- (iv) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]  
*(N.B. formula to specify any multiplier, if applicable)*  
 [If the Final Index Level of [the Index] [each and every Index in the Basket] [at least one of the Indices in the Basket] is [ higher than or equal to] [lower than] [and/or] [lower than or equal to] its relevant [specify relevant barrier(s)], by payment of the Final Redemption amount, which shall be an amount per Note equal to [●]]
- (For Italian Certificates only:)
- (i) Renouncement Notice Date: [Not Applicable / specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be*

- calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions):
- determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value).*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
- (iii) Other (Condition 5(k) of the General Conditions): [Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
 New Global Note: [Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*  
 [Permanent Global Note not exchangeable for Definitive Notes]  
 [For Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A. specify “dematerialised – registration upon issue in the books of Monte Titoli S.p.A.”]
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:

- (i) Instalment Amount(s): [Not Applicable/*give details*]
- (ii) Instalment Date(s): [Not Applicable/*give details*]
30. Other final terms: [Not Applicable/*give details, if necessary by means of an Annex to these Final Terms*]  
[*specify Calculation Agent if other than Guarantor*]  
(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/*give names, addresses and underwriting commitments*]  
(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.*)  
(*Where not all of the issue is underwritten, indicate the portion not covered*)
- (ii) [Date of Syndication Agreement: [•]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [*specify name [and address]\* of dealer*]/Not Applicable.  
The Notes are not being underwritten by any Dealer(s). (*i.e. if Notes are to be directly sold by the Issuer*)  
(*Where not all of the issue is underwritten, indicate the portion not covered*)
33. Total commission and concession: [•] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [•]  
  
[*Include the following text for Notes to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.***]  
[*Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.***]

35. (i) Simultaneous offer: [Not Applicable/give details]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and *[specify, if applicable]*] other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported]* ("Public Offer Jurisdictions") during the periods from *[specify date]* until *[specify date]* [and from *[specify date]* until ("Offer Period"). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [•]
- 37. FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
  - Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
  - FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date]`calendar days [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
  - Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with

- Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*
  - (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
  - Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Currency: *[specify]*
  - (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
  - Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]*
  - Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
  - (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*
  - Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]* [Not Applicable]
  - Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
  - (v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*
  - Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]* [Not Applicable]
  - Any changes to Condition 15 (d): *[specify/None]*

**INDEX LINKED PROVISIONS**38. ***[The following apply to Notes linked to a single index only:]***

Definition of Additional Disruption Event:

- Change in Law [Applicable/Not Applicable/specify]
- Hedging Disruption [Applicable/Not Applicable/specify]
- Other Additional Disruption

Events, if any [specify / None]

Automatic Early Redemption:

[Applicable/Not Applicable/]

*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount: *[specify or delete if N/A]*
- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*  
*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: [higher than/ higher than or equal to/lower than/ lower than or equal to/ other-specify] *[complete as appropriate]*
- Automatic Early Redemption Level: *[specify or delete if N/A]*
- Automatic Early Redemption Rate: *[specify or delete if N/A]*
- Automatic Early Redemption Valuation Date(s): *[specify date(s) or delete if N/A]*
- Averaging Dates: *[specify dates or delete if N/A]*
- Barrier Level: *[specify as [[●] per cent. of Initial Index Level] or delete if N/A]*
- Business Day: *[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open]]]*
- Constant Monitoring: *[specify as applicable and delete “Official Closing Level Only” below or delete if N/A]*
- Expiration Date: *[specify or delete if N/A]*
- Final Index Level: *[specify or delete if fallback provisions in Chapter 4, Part 1(A) to apply]*
- Index: *[specify]*
- Index Sponsor: *[specify or delete if fallback provisions in Chapter 4, Part 1(A) to apply]*
- Initial Index Level: *[specify or delete if fallback provisions in Chapter 4, Part 1(A) to apply]*
- Observation Date(s): *[specify or delete if N/A]*
- Observation Period: *[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]] or delete if N/A]*

- Official Closing Level Only: *[specify as applicable and delete “Constant Monitoring” above or delete if N/A]*
- Strike Date: *[specify or delete if N/A]*
- Strike Price: *[specify or delete if N/A]*  
*[Insert any other relevant terms]]*

**39. *[The following apply to Notes linked to a basket of indices only:***

Definition of Additional Disruption Event:

- Change in Law *[Applicable/Not Applicable/specify]*
- Hedging Disruption *[Applicable/Not Applicable/specify]*
- Other Additional Disruption Events, if any *[specify / None]*

Automatic Early Redemption: *[Applicable/ Not Applicable]*  
*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount: *[specify or delete if N/A]*
- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*  
*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Level of one or more Indices in the Basket; specify the applicable Index/Indices ]*  
*[higher than/ higher than or equal to/ lower than/ lower than or equal to/ other-specify]*  
*[complete as appropriate]*
- Automatic Early Redemption Level(s): *[specify or delete if N/A]*
- Automatic Early Redemption Rate: *[specify or delete if N/A]*
- Automatic Early Redemption Valuation Date(s): *[specify date(s) or delete if N/A]*
- Averaging Dates: *[specify dates or delete if N/A]*
- Barrier Level: *[specify as [[●] per cent. of Initial Index Level] or delete if N/A]*
- Basket: *[specify names of Indices and their weightings]*  
*[indicate which are Multi-Exchange Indices and which are Non Multi-Exchange Indices]*
- Business Day: *[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is open].*
- Constant Monitoring: *[specify as applicable and delete “Official Closing Level Only” below or delete if N/A]*



- Expiration Date: *[specify or delete if N/A]*
- Final Index Level: *[specify or delete if fallback provisions in Chapter 4, Part 1(B) to apply]*
- Index Sponsor: *[specify or delete if fallback provisions in Chapter 4, Part 1(B) to apply]*
- Initial Index Level: *[specify or delete if fallback provisions in Chapter 4, Part 1(B) to apply]*
- Observation Date(s): *[specify or delete if N/A]*
- Observation Period: *[specify as [the period from and including the Issue Date, Strike Date or [●]] to and including the Expiration Date or [●]] or delete if N/A]*
- Official Closing Level Only: *[specify as applicable and delete “Constant Monitoring” above or delete if N/A]*
- Strike Date: *[specify or delete if N/A]*
- Strike Price: *[specify or delete if N/A]*  
*[Insert any other relevant terms]]*

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange/ the Italian Stock Exchange/specify relevant regulated market] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: *[The Official List of the Luxembourg Stock Exchange/ Italian Stock Exchange MOT/Italian Stock Exchange SeDeXother (specify)/ None]*
- (ii) Admission to trading: *[Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/ Italian Stock Exchange*

MOT/Italian Stock Exchange SeDeX/other (specify)] with effect from [●] [the first day of “as-if-and-when-issued-trading”].]

[Not Applicable.]

*[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*]*

- |  |   |
|--|---|
| (iii) Aif-when-issued-trading  | [Three Business Days preceding the Issue Date/Not |
| (iv) Estimate of total expenses related to admission to trading:**   | Applicable]                                       |
| (v) [Minimum Transferable Amount][ <i>applicable only to Italian Certificates to be listed in SeDeX or on other markets which provide so</i> ] | [●]**   |
|  | <i>[Specify / Not Applicable]</i>                 |

## 2. RATINGS

Ratings:

The Issuer has not been assigned any rating.

Neither the Programme nor the issue of this Tranche of Notes has been rated.

The Guarantor has a senior debt rating, from Standard & Poor’s Credit Markets Services Group Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd (“Fitch”) of A+ (outlook stable).

## 3. [NOTIFICATION

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for the Dealer or distributors, then describe those in this section)*

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

- |                           |     |
|---------------------------|-----|
| (i) Reasons for the offer | [●] |
|---------------------------|-----|

*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here.)]*

(ii) Estimated net proceeds

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

## 6. [YIELD (Fixed Rate Notes only)]

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\**

*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

## 7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\*

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

## 8. DETAILS OF UNDERLYING INDEX

*[Need to indicate where information on the past and future performance of the underlying and its volatility can be obtained. Need to include description of the Index if it is composed by the Issuer. If the Index is not composed by the Issuer, state where information about the Index can be obtained. Unless the Notes have a denomination of at least €100,000 or can only be acquired for at least €100,000 per security, give a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]*

## 9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\*

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

**11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**12. OPERATIONAL INFORMATION**

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes/No]  
 [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form]
- (ii) ISIN CODE: [●]
- (iii) Common Code: [●]
- (iv) Other relevant code: [●] [Not Applicable]
- (v) Clearing system(s): [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]
- (vi) Delivery  
 Delivery [against/free of] payment  
*(Include details of any other method and time limits for paying up and delivering the Notes)*
- (vii) Names and addresses of additional Paying Agent(s) (if any): [●]
- (viii) Name and address of Calculation Agent: [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]

**13 [FURTHER ADDITIONAL INFORMATION]**

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation to Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)].

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**Notes:**

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## **CHAPTER 5 - CREDIT LINKED NOTES**

### **PART 1 - TERMS AND CONDITIONS OF CREDIT LINKED NOTES**

The terms and conditions applicable to Credit Linked Notes issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Credit Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Credit Linked Conditions, the Credit Linked Conditions set out below shall prevail. The applicable Final Terms shall specify whether the Notes are Single Name Credit Linked Notes, First-to-Default Credit Linked Notes, N<sup>th</sup>-to-Default Credit Linked Notes, Linear Basket Notes or any other type of Credit Linked Notes. In the event of any inconsistency between (i) the General Conditions and/or the Credit Linked Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail.

#### **1. Redemption upon the Occurrence of a Termination Event**

- (a) If the Calculation Agent determines a Credit Event has occurred on any day during the Observation Period and the Conditions to Settlement are satisfied on or prior the Conditions to Settlement End Date then:
  - (i) subject to Condition 8 of these Credit Linked Conditions, interest shall cease to accrue on the Notes with effect from (A) the Interest Period Date immediately preceding the Event Determination Date or, if no Interest Period Date has occurred, the Interest Commencement Date, or (B) if “Alternative Interest Cessation Date” is stated as applying in the applicable Final Terms the date specified in the relevant Credit Event Notice, provided that in each case if the Credit Event is a Multiple Exercise Credit Event and/or the Notes are Linear Basket Notes, interest shall cease to accrue only on the relevant Applicable Proportion of the Specified Denomination of each Note; and
  - (ii) if the Calculation Agent determines that the related Event Determination Date has not been reversed on or prior to the earlier to occur of the relevant Auction Final Price Determination Date, Valuation Date, Physical Settlement Date (or, if earlier, Delivery Date) or the Scheduled Observation End Date, as applicable, subject to Conditions 5, 7 and 8 of these Credit Linked Conditions, the Issuer’s obligation to redeem each Note at its Final Redemption Amount on the Final Payment Date shall cease and be replaced by an obligation to redeem each Note in whole (or, if the Credit Event is a Multiple Exercise Restructuring Credit Event and/or the Notes are Linear Basket Notes, in part) as follows:
    - (I) if “Cash Settlement” is specified as the Settlement Basis in the applicable Final Terms (or if Cash Settlement is specified as the Fallback Settlement Basis and Condition 4 of these Credit Linked Conditions requires that the Issuer redeems the Notes in accordance with Condition 2 of these Credit Linked Conditions), by payment on the relevant Cash Settlement Date of the Cash Settlement Amounts in accordance with Condition 2 of these Credit Linked Conditions;
    - (II) if “Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms (or if Physical Settlement is specified as the Fallback Settlement Basis and Condition 4 of these Credit Linked Conditions requires that the Issuer redeems the Notes in accordance with Condition 3 of these Credit Linked Conditions), by Delivery of the Deliverable Obligation Entitlements by the relevant Physical Settlement Date in accordance with Condition 3 of these Credit Linked Conditions;

- (III) If “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, by payment on the relevant Auction Cash Settlement Date of the Auction Cash Settlement Amounts in accordance with Condition 4 of these Credit Linked Conditions;
- (IV) if “Cash or Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms, as set out in sub-paragraph (I) or (II) above at the option of the Issuer in its sole and absolute discretion and notified to Noteholders; or
- (V) if “Cash or Physical Settlement or Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, as set out in sub-paragraph (I), (II) or (III) above at the option of the Issuer in its sole and absolute discretion and notified to Noteholders,

in each case subject to Condition 5 of these Credit Linked Conditions and provided that any such payment or delivery shall be subject to the FX Convertibility Event and FX Transferability Event provisions of these Credit Linked Conditions.

Upon discharge by the Issuer of its payment or delivery obligations on the Cash Settlement Date or Auction Cash Settlement Date (or, if the relevant Cash Settlement Amount or the Auction Cash Settlement Amount is zero, upon the occurrence of the Cash Settlement Date or Auction Cash Settlement Date, as applicable) or by the Physical Settlement Date, as the case may be, pursuant to Condition 2, 3 or 4 of these Credit Linked Conditions, as applicable, or as otherwise provided herein, the Issuer’s obligations in respect of the Notes shall be discharged in full.

- (b) If the Calculation Agent determines that a Termination Event (other than a Credit Event) has occurred at any during the Observation Period, then the Issuer may redeem each Note on such date as it determines at (i) its fair market value as at three Business Days prior to the date of redemption (as determined by the Calculation Agent) taking into account the Termination Event less, unless specified otherwise in the Final Terms, any Hedge Unwind Costs, provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market or (ii) unless otherwise specified in the applicable Final Terms, its pro rata share of the Spread Event Amount if the related Termination Event is a Spread Event plus interest accrued but unpaid (if any) on such Note. Interest shall cease to accrue on the Notes with effect from (A) the Interest Period Date immediately preceding the occurrence of a Termination Event or, if no Interest Period Date has occurred, the Interest Commencement Date, or (B) if “Alternative Interest Cessation Date” is stated as applying in the applicable Final Terms, the date specified in the relevant notice of redemption given by the Issuer pursuant to this Condition 1(b) of these Credit Linked Conditions. Notice of any redemption of the Notes or determination made pursuant to this Condition 1(b) of the Credit Linked Conditions (“**Termination Event Notice**”) shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

## 2. Cash Settlement

- (a) Subject to Conditions 5 and 8 of these Credit Linked Conditions, where “Cash Settlement” is the applicable Settlement Basis (or “Cash or Physical Settlement” or “Cash or Physical or Auction Settlement” is specified in the applicable Final Terms and Cash Settlement is elected by the Issuer, or Cash Settlement is specified as the Fallback Settlement Basis and Condition 4 of these Credit Linked Conditions requires that the Issuer redeems the Notes in accordance with this Condition 2), then on the relevant Cash Settlement Date the Issuer shall, subject as aforesaid, redeem:
  - (i) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are not Linear Basket Notes, each Note in whole; or

- (ii) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Note is a Linear Basket Note, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Related Nominal Amount of the Reference Entity in respect of which the Credit Event occurred; or
  - (iii) if the Credit Event is a Multiple Exercise Restructuring Credit Event, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Exercise Amount specified in the Credit Event Notice relating to the relevant Credit Event.
- (b) On any redemption of a Note pursuant to Condition 2(a) of these Credit Linked Conditions, subject to Conditions 5 and 8 of these Credit Linked Conditions, the Issuer shall pay to each Noteholder, an amount equal to the Cash Settlement Amount in respect of such Note on the Cash Settlement Date. The Cash Settlement Amount in respect of each Note shall be the amount specified as such in the applicable Final Terms (which may be a *pro rata* share of the Recovery Amount) or, if no such amount is specified, an amount determined by the Calculation Agent to be the greater of :
  - (i) zero; and
  - (ii) an amount equal to:
    - (I) the Final Price of the Valuation Obligation(s); multiplied by
    - (II) an amount equal to the Applicable Proportion multiplied by the outstanding principal amount of such Note

provided that if the applicable Final Terms specify that “Hedge Unwind Adjustment” shall apply, then the Cash Settlement Amount in respect of each Note shall be adjusted upwards or downwards to reflect that Note’s *pro rata* share of the Hedge Unwind Costs (if any). Payment by the Issuer of the Cash Settlement Amount shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Proportion of the relevant Note.

- (c) If the Cash Settlement Amount is to be determined by reference to the Final Price of the Valuation Obligation(s), such Final Price shall be determined in accordance with the Valuation Method specified in the applicable Final Terms, or, if no such Valuation Method is specified, the Final Price shall be determined (i) with respect to one Valuation Obligation and one Valuation Date, in accordance with the “Market” Valuation Method; (ii) with respect to one Valuation Obligation and more than one Valuation Date, in accordance with the “Average Market” Valuation Method; (iii) with respect to more than one Valuation Obligation and one Valuation Date, in accordance with the “Blended Market” Valuation Method; or (iv) with respect to more than one Valuation Obligation and more than one Valuation Date, in accordance with the “Average Blended Market” Valuation Method.
- (d) Notwithstanding sub-paragraphs (a), (b) and (c) above, if “Cash Settlement” is specified as the Settlement Basis in the applicable Final Terms or the relevant Credit Event Notice and the Issuer determines that it (or the Guarantor or any of its Affiliates) is (or would be) unable to sell or dispose of the Valuation Obligation(s) within 180 days (or such other period as may be specified in the applicable Final Terms) following the Event Determination Date, the Issuer may notify the Noteholders of the same (an “**Alternative Settlement Notice**”), whereupon the Issuer shall endeavour to Deliver to each Noteholder its Deliverable Obligation Entitlement in accordance with Condition 3 of these Credit Linked Conditions, for which purposes the “Physical Settlement Date” and “Cut-off Date” shall be such dates as may be specified by the Issuer in the Alternative Settlement Notice.



### 3. Physical Settlement

- (a) Subject to Conditions 5 and 8 of these Credit Linked Conditions, where “Physical Settlement” is the applicable Settlement Basis (if “Cash or Physical Settlement” or “Cash or Physical or Auction Settlement” is specified in the applicable Final Terms and Physical Settlement is elected by the Issuer, or if Physical Settlement is specified as the Fallback Settlement Basis and Condition 4 of these Credit Linked Conditions requires that the Issuer redeems the Notes in accordance with this Condition 3), then the Issuer shall, subject as aforesaid, first, on or prior to the Physical Settlement Date, deliver to the Noteholders a notice of Deliverable Obligation(s) (and may from time to time deliver to Noteholders a NODO Amendment Notice, provided such NODO Amendment Notice is delivered on or prior to the relevant Physical Settlement Date) and secondly, on the Physical Settlement Date redeem:

- (i) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are not Linear Basket Notes, each Note in whole; or
- (ii) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are Linear Basket Notes, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Related Nominal Amount of the Reference Entity in respect of which the Credit Event occurred; or
- (iii) if the Credit Event is a Multiple Exercise Restructuring Credit Event, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Exercise Amount relating to the relevant Reference Entity and Credit Event,

Delivery of the Deliverable Obligation Entitlement by the Issuer pursuant to Condition 3(b) to (n) of these Credit Linked Conditions (and/or payment of any amounts in connection therewith pursuant to Condition 3(b)(iii), 3(i) and/or 3(l) of these Credit Linked Conditions) shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Proportion of the relevant Note.

- (b) Unless otherwise specified in the applicable Final Terms, on any redemption of a Note pursuant to Condition 3(a) of these Credit Linked Conditions, subject to Conditions 3(e) to (n), 5 and 8 of these Credit Linked Conditions, the Issuer shall Deliver to each Noteholder on the Physical Settlement Date its Deliverable Obligation Entitlement. Unless otherwise specified in the applicable Final Terms, the Deliverable Obligation Entitlement in respect of each Note shall be an amount of the Deliverable Obligations determined as follows:

- (i) where the Deliverable Obligation(s) constitute Borrowed Money, the Deliverable Obligation Entitlement in respect of each Note shall be an amount of the Deliverable Obligations (selected by the Issuer in its sole and absolute discretion and notified to Noteholders in the relevant Notice of Deliverable Obligation(s) (or in a NODO Amendment Notice)) with an aggregate outstanding principal balance (including accrued but unpaid interest (as determined by the Calculation Agent if “Include Accrued Interest” is specified in the applicable Final Terms, but excluding accrued but unpaid interest if “Exclude Accrued Interest” is specified in the applicable Final Terms, and if neither “Include Accrued Interest” nor “Exclude Accrued Interest” is specified in the applicable Final Terms, excluding accrued but unpaid interest) equal to:
  - (A) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are not Linear Basket Notes, the applicable Relevant Proportion multiplied by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date; or
  - (B) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are Linear Basket Notes, the applicable Relevant Proportion multiplied by the Related

- Nominal Amount of the relevant Reference Entity to which the Credit Event relates;  
or
- (C) if the Credit Event is a Multiple Exercise Restructuring Credit Event, the applicable Relevant Proportion multiplied by the Exercise Amount in respect of the relevant Reference Entity and Credit Event; or
- (ii) where the Deliverable Obligation(s) are not Borrowed Money, the Deliverable Obligation Entitlement in respect of each Note shall be an amount of the Deliverable Obligations (selected by the Issuer in its sole and absolute discretion and notified to Noteholders in the relevant Notice of Physical Settlement (or any NODO Amendment Notice)) with a Due and Payable Amount (or the equivalent Currency Amount of any such amount), equal to:
    - (A) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are not Linear Basket Notes, the applicable Relevant Proportion multiplied by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date; or
    - (B) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are Linear Basket Notes, the applicable Relevant Proportion multiplied by the Related Nominal Amount of the relevant Reference Entity to which the Credit Event relates; or
    - (C) if the Credit Event is a Multiple Exercise Restructuring Credit Event, the applicable Relevant Proportion multiplied by the Exercise Amount in respect of the relevant Reference Entity and Credit Event.
  - (iii) Notwithstanding anything to the contrary in Condition 3(b)(i) or (ii) of these Credit Linked Conditions, the Issuer may elect to Deliver to Noteholders Deliverable Obligations with an outstanding principal balance (including or excluding accrued but unpaid interest, as applicable) or a Due and Payable Amount, as applicable (or the equivalent Currency Amount of any such amount), that is (A) greater than the Deliverable Obligation Entitlement in respect of each Note, or (B) less than the Deliverable Obligation Entitlement in respect of each Note. If the Issuer exercises its election pursuant to (B) of this Condition 3(b)(iii) the Issuer shall pay to Noteholders no later than the Business Day following the relevant Latest Permissible Physical Settlement Date an amount in respect of each Note determined by the Calculation Agent equal to the portion of the Deliverable Obligation Entitlement of such Note in respect of which Deliverable Obligations were not delivered.
- (c) 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 Obligation(s) may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.
  - (d) In the event that an Obligation or a Deliverable Obligation is a Qualifying Guarantee, the following will apply:
    - (i) For purposes of the application of the Obligation Category or the Deliverable Obligation Category, the Qualifying Guarantee shall be deemed to satisfy 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 Qualifying Guarantee and the Underlying Obligation must satisfy on the relevant date each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from

the following list: Specified Currency, Not Sovereign Lender, Not Domestic Currency and Not Domestic Law. For these purposes, unless otherwise specified in the applicable Final Terms, (A) the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro shall not be a Domestic Currency and (B) the laws of England and the laws of the State of New York shall not be a 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 each of the applicable Obligation Characteristics or the Deliverable Obligation Characteristics, if any, specified in the applicable Final Terms from the following list: Listed, Not Contingent, 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) The terms “outstanding principal balance” and “Due and Payable Amount” (as they are used in various other Conditions, including without limitation, in the definition of “Partial Cash Settlement Amount” and “Quotation Amount”), when used in connection with Qualifying Guarantees are to be interpreted to be the then “outstanding principal balance” or “Due and Payable Amount”, as applicable, of the Underlying Obligation which is supported by a Qualifying Guarantee.
- (e) In the event that the Issuer, for any reason whatsoever, is unable to effect Delivery of the Deliverable Obligation Entitlement in respect of the Notes of any Noteholder by the Physical Settlement Date, the Issuer may continue to attempt such Delivery for an additional sixty Business Days after the Physical Settlement Date. Without prejudice to Condition 3(i) of these Credit Linked Conditions, failure by the Issuer to Deliver to a Noteholder the relevant Deliverable Obligation(s) on or prior to the date that is sixty Business Days after the Physical Settlement Date shall not constitute an Event of Default.
  - (f) In order to obtain Delivery of the Deliverable Obligation Entitlement, in respect of any Note, the relevant Noteholder must deliver to the Issuer or the Agent within five Business Days of the date of delivery of the Notice Deliverable Obligation(s) (or any relevant NODO Amendment Notice) (each such date a (“**Cut-Off Date**”), a duly completed Asset Transfer Notice in accordance with Condition 3(k) of these Credit Linked Conditions, the form of which may be obtained from the specified office of the Issuer or the Agent. Such an Asset Transfer Notice must be delivered to the Issuer via the relevant clearing system, by such method of delivery as the relevant clearing system shall have approved.
  - (g) After delivery of a valid Asset Transfer Notice, no transfers of the Notes specified therein may be effected by any relevant clearing.
  - (h) Upon receipt of a duly completed Asset Transfer Notice, the Issuer, any relevant clearing system or the Agent, as the case may be, shall verify that the person specified therein as the account holder, is the Holder of the Note referred to therein according to its books.

Subject as provided herein, in relation to each Note, the related Deliverable Obligation Entitlement will be Delivered to the relevant Noteholder at the risk of such Noteholder.

If the Asset Transfer Notice is delivered to the Issuer or the Agent later than close of business in Brussels or Luxembourg on the relevant Cut-Off Date, then the related Deliverable Obligation Entitlement in respect of the Notes referred to in the Asset Transfer Notice will be Delivered to the

relevant Noteholder as soon as practicable after the date on which Delivery of the same would otherwise be made, at the risk of such Noteholder in the manner provided above. For the avoidance of doubt, such Noteholder shall not be entitled to any payment or to other assets, whether in respect of interest or otherwise, in the event that Delivery of the Deliverable Obligation Entitlement(s) in respect of the Note(s) of such Noteholder takes place after the date on which Delivery of the same would otherwise be made pursuant to the provisions of this Condition 3(h) or otherwise due to circumstances beyond the control of the Issuer.

If the relevant Noteholder fails to deliver an Asset Transfer Notice in the manner set out herein or delivers an Asset Transfer Notice on any day falling after the day that is 180 calendar days after the relevant Cut-Off Date or fails to pay the Delivery Expenses and, if applicable, the Hedge Unwind Costs as referred to in Condition 3(m) of these Credit Linked Conditions, the Issuer shall be discharged from its obligations in respect of such Note (or in respect of the partial redemption of such Note, as applicable) and shall have no further obligation or liability whatsoever in respect thereof.

- (i) If due to an event beyond the control of the Issuer it is impossible, impracticable or illegal for the Issuer to Deliver, or due to an event beyond the control of any Noteholder or its designated nominee, it is impossible, impracticable or illegal for such Noteholder or its designated nominee to accept Delivery of all or a portion of the Noteholder's Deliverable Obligation Entitlement by the Physical Settlement Date (including, without limitation, failure of the relevant clearing system or due to any law, regulation or court order, but not including market conditions or failure to obtain any requisite consent with respect to the Delivery of Loans) then by such date the Issuer or the Noteholder, as applicable, shall provide a description in reasonable detail of the facts giving rise to such impossibility, impracticability or illegality and the Issuer shall Deliver and such Noteholder or its designated nominee shall take Delivery of that portion (if any) of the Deliverable Obligations comprising the Deliverable Obligation Entitlement for which it is possible, practicable and legal to take Delivery. As soon as possible thereafter, the Issuer shall Deliver and such Noteholder or its originally designated nominee or any new designated nominee shall take Delivery of the remaining portion of such Deliverable Obligation Entitlement.
- (ii) If:
  - (A) following the occurrence of any impossibility, impracticability or illegality referred to in sub-paragraph (i) above all of the Deliverable Obligation(s) comprising the Deliverable Obligation Entitlement in respect of any Note are not Delivered on or prior to the relevant Latest Permissible Physical Settlement Date; or
  - (B) (I) all or a portion of the Deliverable Obligation(s) comprising the Deliverable Obligation Entitlement in respect of any Note includes Assignable Loans or Consent Required Loans that, due to the non-receipt of any requisite consents, are not, by the relevant Physical Settlement Date, capable of being assigned or novated to the relevant Noteholder(s) or its nominee and such consents are not obtained or deemed given by the relevant Latest Permissible Physical Settlement Date and (II) Direct Loan Participation is not specified as a Deliverable Obligation Characteristic in the applicable Final Terms or Direct Loan Participation is specified as a Deliverable Obligation Characteristic in the applicable Final Terms and the relevant participation is not effected on or before the Latest Permissible Physical Settlement Date; or
  - (C) all or a portion of the Deliverable Obligation(s) comprising the Deliverable Obligation Entitlement in respect of any Note includes Direct Loan Participations and the relevant participation is not effected on or before the relevant Latest Permissible

Physical Settlement Date,

then Partial Cash Settlement pursuant to sub-paragraph (iii) below shall be deemed to apply in respect of each Note with respect to that portion of the Deliverable Obligation Entitlement comprising (I) Deliverable Obligation(s) that cannot be Delivered for the reasons specified in (A) above (the “**Undeliverable Obligations**”) or (II) Deliverable Obligation(s) of the type referred to in (B) above for which consents are not obtained or deemed to be given such that the Deliverable Obligations cannot be assigned or novated to a Noteholder or its nominee (the “**Undeliverable Loan Obligations**”) or (III) Deliverable Obligation(s) of the type referred to in (C) above in respect of which the relevant participation is not effected (the “**Undeliverable Participations**”).

- (iii) On the Partial Cash Settlement Date, the Issuer shall pay to each relevant Noteholder in respect of each Note an amount determined by the Calculation Agent equal to the Relevant Proportion multiplied by the Partial Cash Settlement Amount of the relevant Undeliverable Obligation(s), Undeliverable Loan Obligation(s) or Undeliverable Participation(s) comprising the deliverable Obligation Entitlement in respect of the relevant Note which would have been delivered to the Noteholder but for this Condition 3(i) and upon discharge by the Issuer of such payment obligation on the Partial Cash Settlement Date, the Issuer’s obligations in respect of the redemption of each such Note shall be discharged. For the purposes of this Condition 3(i) of these Credit Linked Conditions:

“**Partial Cash Settlement Amount**” means, for each Undeliverable Obligation, Undeliverable Loan Obligation or Undeliverable Participation, save as otherwise specified in the applicable Final Terms, an amount equal to the Recovery Amount in respect of such Undeliverable Obligation, Undeliverable Loan Obligation or Undeliverable Participation; and

“**Partial Cash Settlement Date**” has the meaning given to it in the applicable Final Terms, or, if such a meaning is not so specified, means the date that is three Business Days after the calculation of the Recovery Amount in respect of all relevant Undeliverable Obligation(s), Undeliverable Loan Obligation(s) and/or Undeliverable Participation(s).

- (i) If, in accordance with Conditions 3 (g), (h) and (i) of these Credit Linked Conditions, the Deliverable Obligation(s) comprising the Deliverable Obligation Entitlement in respect of any Note is Delivered to a Noteholder after the relevant Physical Settlement Date, then until Delivery of such Deliverable Obligation(s) is made to the relevant Noteholder, the Issuer or any person holding such assets on behalf of the Issuer shall continue to be the legal owner of those assets. None of the Issuer and any such other person shall (i) be under any obligation to deliver or procure delivery to such Noteholder or any subsequent transferee any letter, certificate, notice, circular or any other document or payment whatsoever received by that person in its capacity as the holder of such assets, (ii) be under any obligation to exercise or procure the exercise of any or all rights (including voting rights) attaching or appertaining to such assets until the date of Delivery or (iii) be under any liability to such Noteholder or subsequent transferee for any loss, liability, damage, cost or expense that such Noteholder or subsequent transferee may sustain or suffer as a result, whether directly or indirectly, of that person not being the legal owner of such assets until the date of Delivery.
- (j) An Asset Transfer Notice delivered by a Noteholder in respect of any Note(s) is irrevocable and must:
  - (i) specify the account details or name of the person to whom Delivery of the relevant Deliverable Obligation Entitlement in respect of each Note is to be made;
  - (ii) specify the number of Notes which are the subject of such notice;
  - (iii) specify the number of the Noteholder’s account at the relevant clearing system to be debited

with such Notes; and irrevocably instruct and authorise the relevant clearing system to debit the relevant Noteholder's account with such Notes on the due date for redemption in whole or in part of the Notes; and

- (iv) unless otherwise specified in the applicable Final Terms, specify the manner in which Delivery Expenses and Hedge Unwind Costs, if applicable, will be borne by the Noteholders in accordance with Condition 3(m) of these Credit Linked Conditions.

Failure properly to complete and deliver an Asset Transfer Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly completed and delivered as provided in these Credit Linked Conditions shall be made by the Issuer in its sole and absolute discretion and shall be conclusive and binding on the relevant Noteholder.

- (k) If the aggregate Deliverable Obligation Entitlements to which a Noteholder is entitled is comprised of Deliverable Obligations in an amount less than a multiple of a whole number of the Deliverable Obligation(s) at the relevant time, then (i) the Issuer shall not Deliver and the relevant Noteholder shall not be entitled to receive in respect of its Notes that fraction of any Deliverable Obligation comprised in such Deliverable Obligation Entitlement(s) which is less than a whole number (the “**Fractional Entitlement**”) and (ii) the Issuer shall pay to the relevant Noteholder a cash amount (to be paid at the same time as Delivery of the whole number of Deliverable Obligation(s) comprising the Deliverable Obligation Entitlement(s)) equal to the fair market value (as determined by the Calculation Agent) of such Fractional Entitlement.
- (l) The costs and expenses including any stamp, registration documentation or similar tax and any transfer or similar fee (the “**Delivery Expenses**”) of effecting any Delivery of any Deliverable Obligation Entitlement to any Noteholder and, if the applicable Final Terms specify that “Hedge Unwind Adjustment” shall apply, a pro rata share of the Hedge Unwind Costs (if any) shall, in the absence of any provision to the contrary in the applicable Final Terms, be borne by the Noteholder and shall, unless otherwise specified in the applicable Final Terms, at the option of each Noteholder as specified in the Asset Transfer Notice either be:
  - (i) paid to the Issuer by such Noteholder prior to the Delivery of any Deliverable Obligation Entitlement to the Noteholder (and, for the avoidance of doubt, the Issuer shall not be required to Deliver any portion of the Deliverable Obligation Entitlement to such Noteholder until it has received such payment); or
  - (ii) deducted by the Issuer from any cash amount which may be payable to such Noteholder under these Credit Linked Conditions to the extent that any such cash amount is equal to or greater than Noteholders *pro rata* share of the applicable Delivery Expenses and Hedge Unwind Costs.

If there is not a cash amount owing from the Issuer under such Note to a Noteholder sufficient to cover the Delivery Expenses and, if applicable, its *pro rata* share of the Hedge Unwind Costs, the Issuer may convert such amount of Deliverable Obligations comprised in the relevant Noteholder's Deliverable Obligation Entitlement into cash sufficient to cover the Delivery Expenses and, if applicable, a *pro rata* share of the Hedge Unwind Costs, in respect of such Note from which the Issuer shall deduct such amounts. Each Note will then be redeemed by delivery of the remaining Deliverable Obligation(s) comprising Deliverable Obligation Entitlement in respect of such Note and, if applicable, payment of a cash amount in respect of any Fractional Entitlement arising, together with any other amounts to which such Noteholder is entitled upon redemption of such Note.

- (m) The Issuer shall not be under any obligation to register or procure the registration of any Noteholder or any other person as the registered holder of any of the Deliverable Obligation(s) comprised in any Deliverable Obligation Entitlement in the register of members or holders of debt securities of any company whose securities form part of any Deliverable Obligation Entitlement. The Issuer shall not

be obliged to account to any Noteholder for any entitlement received or receivable in respect of any of the Deliverable Obligation(s) comprised in any Deliverable Obligation Entitlement if the date on which such are first traded ex such entitlement is on or prior to the date of Delivery. The Issuer shall determine, in its sole and absolute discretion, the date on which such assets are so first traded ex any such entitlement.

#### 4. Auction Settlement

- (a) Subject to Conditions 5 and 8 of these Credit Linked Conditions, where “Auction Settlement” is the applicable Settlement Basis specified in the applicable Final Terms (or if “Cash or Physical or Auction Settlement” in the applicable Final Terms and Auction Settlement is elected by the Issuer) then on the Auction Cash Settlement Date, the Issuer shall, subject as aforesaid, redeem:
  - (i) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and/or the Notes are not Linear Basket Notes, each Note in whole; or
  - (ii) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Notes are Linear Basket Notes, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Related Nominal Amount of the Reference Entity in respect of which the Credit Event occurred; or
  - (iii) if the Credit Event is a Multiple Exercise Restructuring Credit Event, a portion of the principal amount of each Note equal to the Applicable Proportion determined by reference to the Exercise Amount specified in the Credit Event Notice relating to the relevant Credit Event.
- (b) On any redemption of a Note pursuant to Condition 4(a) of these Credit Linked Conditions, subject to Conditions 5 and 8 of these Credit Linked Conditions, the Issuer shall pay to each Noteholder, an amount equal to the Auction Cash Settlement Amount in respect of each such Note on the Auction Cash Settlement Date. The Auction Cash Settlement Amount in respect of each Note shall be the amount determined by the Calculation Agent to be the greater of:
  - (i) zero; and
  - (ii) an amount equal to:
    - (A) the Auction Final Price; multiplied by
    - (B) an amount equal to the Applicable Proportion multiplied by the outstanding principal amount of such Note,

provided that if the applicable Final Terms specify that “Hedge Unwind Adjustment” shall apply, then the Auction Cash Settlement Amount in respect of each Note shall be adjusted upwards or downwards to reflect that Note’s *pro rata* share of the Hedge Unwind Costs. For the avoidance of doubt, in no event shall the Auction Cash Settlement Amount be less than zero. Payment by the Issuer of the Auction Cash Settlement Amount shall fully and effectively discharge the Issuer’s obligation to redeem the Applicable Proportion of the relevant Note.

- (c) Without prejudice to the foregoing, but without duplication of settlement, if the Calculation Agent determines:
  - (i) except where the Issuer delivers a Notice to Exercise Movement Option to the Calculation Agent on or prior to the Movement Option Cut-off Date, that with respect to a Credit Event no Applicable Auction is being, or will be, held; or
  - (ii) with respect to a Credit Event and any relevant Applicable Request, Applicable Resolution and/or Applicable Auction, that (A) an Auction Cancellation Date has occurred, (B) a No Auction Announcement Date has occurred (and, in circumstances where such No Auction

Announcement Date occurs pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date, the Issuer has not exercised the Movement Option), (C) ISDA has publicly announced that a relevant Credit Derivatives Determinations Committee has Resolved, following a relevant Credit Event Resolution Request Date, not to determine the matters described in the definitions of Credit Event Resolution Request Date, (D) an Event Determination Date was determined pursuant to sub-paragraph (a) of the definition of Event Determination Date and no relevant Credit Event Resolution Request Date has occurred on or prior to the date falling three Business Days after such Event Determination Date, or (E) an Event Determination Date was determined pursuant to sub-paragraph (b)(ii)(B) of the definition of Event Determination Date,

then the Issuer shall, subject to the occurrence of a Credit Event on any day during the Observation Period and satisfaction of the Conditions to Settlement on or prior to the Conditions to Settlement End Date, notwithstanding that Auction Settlement is specified as applicable in the relevant Final Terms, redeem each Note in accordance with Condition 2 of these Credit Linked Conditions (if Cash Settlement is specified in the applicable terms as the Fallback Settlement Basis) or in accordance with Condition 3 of these Credit Linked Conditions (if Physical Settlement is specified in the applicable terms as the Fallback Settlement Basis).

- (d) If “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and the Calculation Agent determines in respect of a Restructuring Credit Event that a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date, the Issuer may elect in its sole and absolute discretion to deliver a Notice to Exercise Movement Option to the Calculation Agent at any time on or prior to the Movement Option Cut-off Date. If a Notice to Exercise Movement Option is so delivered, then provided the related Event Determination Date is not reversed on or prior to the relevant Auction Cash Settlement Date, the Notes shall be redeemed on the Auction Cash Settlement Date at their Auction Cash Settlement Amount, for which purposes the Auction Cash Settlement Date and the Auction Cash Settlement Amount shall be determined by reference to the relevant Parallel Auction identified by the Issuer in the Notice to Exercise Movement Option. If a Notice to Exercise Movement Option is delivered by the Issuer, all references in these Credit Linked Conditions to “Applicable Auction”, “Applicable Auction Settlement Terms”, “Auction Cancellation Date”, “Auction Final Price Determination Date” and “Auction Settlement Date” shall be deemed to be references to the “Parallel Auction”, “Parallel Auction Settlement Terms”, “Parallel Auction Cancellation Date”, “Parallel Auction Final Price Determination Date” and “Parallel Auction Settlement Date” and the terms of these Credit Linked Conditions shall be construed accordingly.

## **5. Redemption Suspension**

If, following the determination of an Event Determination Date in accordance with sub-paragraph (a) of the definition of Event Determination Date but prior to the relevant Final Payment Date, Cash Settlement Date, the relevant Physical Settlement Date, a Delivery Date or, to the extent applicable, a Valuation Date, as applicable, the Issuer determines that a Suspension Event has occurred, the timing requirements relating to notices of physical settlement and the timing requirements of Conditions 1, 2 and 3 of these Credit Linked Conditions, as applicable, or any other provision of these Credit Linked Conditions and the Notes that pertains to redemption and settlement, shall toll and remain suspended until the Suspension Event Cessation Date. During such suspension period, the Issuer is not obliged to take any action in connection with the redemption and settlement of the Notes. The relevant timing requirements and redemption and settlement provisions, as applicable, that have previously tolled or been suspended shall resume on the Business Day following the relevant Suspension Event Cessation Date with the benefit of the full day notwithstanding when the tolling or suspension began in accordance with this Condition 5. Without



prejudice to any amounts payable pursuant to Condition 8 of these Credit Linked Conditions, no additional amounts shall be payable by the Issuer in connection with any such suspension.

## **6. Interest Payment Postponement**

- (a) If, an Applicable Request in respect of a Credit Event is made on or prior to any Interest Payment Date or the Scheduled Observation End Date in respect of which an Applicable Resolution has not been published, the payment of interest (if any) scheduled to be paid to Noteholders on or about such Interest Payment Date or the Scheduled Observation End Date, will be suspended. If in connection with such Applicable Request either (i) an Applicable DC Credit Event Announcement is made but the Calculation Agent determines that the Event Determination Date relating thereto is a date falling after such Interest Payment Date or the Scheduled Observation End Date, or (ii) an Applicable DC No Credit Event Announcement is made, payment of the suspended interest will be made two Business Days after the date the Event Determination Date is so determined or the date of Applicable DC No Credit Event Announcement, as applicable. If in connection with such Applicable Request, an Applicable DC Credit Event Announcement is made and the Calculation Agent determines that the Event Determination Date relating thereto is a date falling on or prior to such Interest Payment Date or the Scheduled Observation End Date, no payment of the suspended interest will be made pursuant to Condition 1(a) of these Credit Linked Conditions.
- (b) No additional amount in respect of interest and no adjustment shall be made to the amount of any interest in connection with the delay or postponement of any payment of interest pursuant to subparagraph (a) above. For the avoidance of doubt, no interest shall accrue on any Note after the Scheduled Observation End Date (unless Condition 3(e) of the General Conditions applies and upon due presentation of a Note for redemption payment of principal is improperly withheld or refused by the Issuer). The Issuer shall endeavour to give notice to the Noteholders in accordance with the General Conditions as soon as reasonably practicable should any payment of interest be suspended and/or postponed pursuant to this Condition 6 of the Credit Linked Conditions.

## **7. Final Payment Date Postponement**

- (a) Unless otherwise specified in the applicable Final Terms, if, on the Scheduled Observation End Date, the Issuer determines that:
  - (i) Repudiation/Moratorium is listed as a Credit Event in the applicable Final Terms, a Potential Repudiation/Moratorium has occurred with respect to one or more of the Obligations, the Repudiation/Moratorium Extension Condition has been satisfied and the related Repudiation/Moratorium Evaluation Date has not occurred; and/or
  - (ii) Failure to Pay is listed as a Credit Event in the applicable Final Terms and a Potential Failure to Pay has occurred with respect to one or more of the Obligations; and/or
  - (iii) an Applicable Request has been made on or prior to such date in respect of which an Applicable Resolution has not been published; and

in each case, the Conditions to Settlement in respect of the above have not been satisfied as at the Scheduled Observation End Date (each such event a “**Final Payment Date Postponement Event**”), the Issuer shall endeavour to give notice to the Noteholders in accordance with Condition 10 of the General Conditions as soon as reasonably practicable that redemption of the Notes and the Final Payment Date will be postponed pursuant to the foregoing.

- (b) The payments of any accrued but unpaid interest scheduled to be paid on the Final Payment Date and/or the redemption of the Notes at maturity will not be paid and shall be postponed pursuant to the foregoing. No additional amount in respect of interest shall be payable in connection with the postponement of the redemption of the Notes and the postponement of the Final Payment Date. No

interest shall accrue on any Note after the Scheduled Observation End Date (unless Condition 3(e) of the General Conditions applies and upon due presentation of a Note for redemption payment of principal is improperly withheld or refused by the Issuer).

- (c) In such circumstances:
  - (i) with respect to a Potential Repudiation/Moratorium:
    - (A) if an Event Determination Date occurs on or prior to the last day of the Notice Delivery Period and is not reversed pursuant to Condition 8 of these Credit Linked Conditions, each Note shall be redeemed pursuant to Condition 2, 3 or 4 of these Credit Linked Conditions, as applicable; or
    - (B) if the Repudiation/Moratorium Extension Condition is satisfied and an Event Determination Date does not occur on or prior to the final day of the Notice Delivery Period and no other Final Payment Date Postponement Event(s) are outstanding, each Note shall be redeemed at its Final Redemption Amount on the second Business Day following the last day of the Notice Delivery Period;
  - (ii) with respect to a Potential Failure to Pay:
    - (A) if an Event Determination Date occurs on or prior to the last day of the Notice Delivery Period and is not reversed pursuant to Condition 8 of these Credit Linked Conditions, each Note shall be redeemed pursuant to Condition 2, 3 or 4 of these Credit Linked Conditions, as applicable; or
    - (B) if Grace Period Extension is specified as applicable in the applicable Final Terms and an Event Determination Date does not occur on or prior to the last day of the Notice Delivery Period and no other Final Payment Date Postponement Event(s) are outstanding, each Note shall be redeemed at its Final Redemption Amount on the second Business Day following the last day of the Notice Delivery Period; and
  - (iii) with respect to an Applicable Request:
    - (A) if the Conditions to Settlement are satisfied on or prior to the Conditions to Settlement End Date and the related Event Determination Date is not reversed pursuant to Condition 8 of these Credit Linked Conditions, each Note shall be redeemed pursuant to Condition 2, 3 or 4 of these Credit Linked Conditions, as applicable; or
    - (B) if the Conditions to Settlement are not satisfied on or prior to the Conditions to Settlement End Date or the related Event Determination Date is reversed pursuant to Condition 8 of these Credit Linked Conditions, and the Conditions to Settlement have not been satisfied in respect of any other Final Payment Date Postponement Event(s), each Note shall be redeemed at its Final Redemption Amount on the second Business Day following the Conditions to Settlement End Date.
- (d) For the purposes of this Condition 7 of the Credit Linked Conditions, a Final Payment Postponement Event will be deemed to be outstanding on any date, if the relevant period specified in Condition 7(c)(i), (ii) or (iii) above in respect of such Final Payment Postponement Event as the period in which the Conditions to Settlement may occur or in which an Event Determination Date may be reversed has not expired.

## **8. Reversals and Adjustments to Event Determination Dates**

- (a) Notwithstanding anything to the contrary in these Credit Linked Conditions, no Event Determination Date will occur, 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 the Calculation

Agent determines that, prior to the relevant Auction Final Price Determination Date in respect of an Applicable Auction, a related Valuation Date, any relevant Physical Settlement Date (or, if earlier a Delivery Date), or any other relevant date relating to the redemption of the Notes, as applicable, an Applicable DC No Credit Event Announcement occurs with respect to the relevant Reference Entity or Obligation thereof.

- (b) If, following the occurrence of a Credit Event and satisfaction of the Conditions to Settlement in respect of a Reference Entity, the related Event Determination is deemed to have occurred on a date that is earlier than the date originally determined to be the Event Determination Date for the purposes of the Note as a result of the application of the definition of Event Determination Date and/or any Applicable Request or Applicable Resolution then:
  - (i) if the Notes are redeemed pursuant to Condition 2 or 4 of these Credit Linked Conditions, an amount equal to the relevant EDD Adjustment Amount (if any) shall be deducted to the fullest extent possible from the relevant Cash Settlement Amount or Auction Cash Settlement Amount, as applicable; or
  - (ii) if the Notes are redeemed pursuant to Condition 3 of these Credit Linked Conditions, the EDD Adjustment Amount (if any) shall be deemed to be a Delivery Expense for the purposes of Condition 3(m) of these Credit Linked Conditions.
- (c) Without prejudice to Condition 4(c) of these Credit Linked Conditions, if an Applicable DC No Credit Event Announcement occurs following the determination of an Event Determination Date but prior to the related Auction Final Price Determination Date in respect of an Applicable Auction, a related Valuation Date, any related Physical Settlement Date (or, Delivery Date if earlier), or any other relevant date relating to the redemption of the Notes, as applicable, then the Event Determination Date originally determined for the purposes of the Notes shall be deemed not to have occurred (an “**Event Determination Date Reversal**”). The occurrence of an Event Determination Date Reversal shall not prejudice the occurrence or determination of any subsequent Event Determination Date(s) in relation to the relevant Reference Entity (if applicable). Notwithstanding Condition 1(a) of these Credit Linked Conditions, if an Event Determination Date Reversal occurs, each Note shall recommence to accrue interest (in accordance with the General Conditions) from the Interest Payment Date (the “**Interest Recommencement Date**”) immediately following the relevant Applicable DC No Credit Event Announcement, and an amount equal to the Additional EDD Interest Amount shall be payable on such Interest Recommencement Date. For the avoidance of doubt, in no circumstances shall interest accrue on any Note on or after the Scheduled Observation End Date.

## 9. Succession Event

- (a) With respect to any Reference Entity (other than a Sovereign Reference Entity), the Calculation Agent, acting in good faith and in accordance with reasonable market practice with respect to the Italian Bonds and Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the legally effective date of the relevant Succession Event), and with effect from the legally effective date of the Succession Event, whether the relevant thresholds set forth in the definition of “Successor” have been met, or which entity qualifies under paragraph (a)(vi) of the definition of “Successor”, as applicable, provided that the Calculation Agent will not make such determination if, at such time, either (A) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in the definitions of “Successor”, in sub-paragraph (a) of the definition of “Succession Event Resolution Request Date” and sub-paragraph (b)(i) of the definition

of “Succession Event Resolution Request Date”, are satisfied in accordance with the Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (B) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event for purposes of the certain credit derivative transactions has occurred, and in each case the Calculation Agent determines that such resolution is an Applicable Resolution. In calculating the percentages used to determine whether the relevant thresholds set forth in the definition of “Successor” have been met, or which entity qualifies under sub-paragraph (a)(vi) of such definition, the Calculation Agent shall use, with respect to each applicable Relevant Obligation included in such calculation, the amount of the liability with respect to such Relevant Obligation listed in the Best Available Information and shall notify the Issuer of such calculation. A copy of the notice of any determination of a Successor shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

- (b) With respect to any Sovereign Reference Entity, the Calculation Agent, acting in good faith and in accordance with reasonable market practice with respect to the Italian Bonds and Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than fourteen calendar days after the date of the occurrence of the relevant Succession Event), and with effect from the date of the occurrence of the Succession Event, each Sovereign and/or entity, if any, that qualifies under sub-paragraph (b) of the definition of “Successor”; provided that the Calculation Agent will not make such determination if, at such time, either (i) ISDA has publicly announced that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraph (b) of the definition of “Successor” and sub-paragraphs (a) and (b)(i) of the definition of “Succession Event Resolution Request Date” are satisfied in accordance with the Rules (until such time, if any, as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine a Successor) or (ii) ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved that no event that constitutes a Succession Event has occurred and the Calculation Agent determines that such Resolution is an Applicable Resolution. A copy of the notice of any determination of a Successor shall be given to Noteholders in accordance with Condition 10 of the General Conditions.
- (c) Where the Notes are Single Name Credit Linked Notes:
  - (i) Where a Succession Event has occurred and more than one Successor has been identified in accordance with these Credit Linked Conditions, each such Successor will be deemed to be a Reference Entity for purposes of the Notes, and to the extent applicable, the Calculation Agent shall apportion any outstanding principal amounts or any other relevant calculation amounts equally in relation to each Successor.
  - (ii) If one or more of the Successors to the Reference Entity have not assumed the Reference Obligation (if any) specified in the applicable Final Terms, the Calculation Agent, acting in good faith and in accordance with reasonable market practice with respect to the Italian Bonds and Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, may select a Substitute Reference Obligation in accordance with the definition of “Substitute Reference Obligation”.
  - (iii) Where a Credit Event occurs in respect of a Reference Entity after such a Succession Event, the provisions of the relevant Credit Linked Conditions shall be deemed to apply to the aggregate principal amount of the Notes represented by that Reference Entity only (the “**Partial Principal Amount**”) and all the provisions shall be construed accordingly. Each

Note shall thereafter be redeemed in part (such redeemed part being equal to the relevant proportion of the Partial Principal Amount).

- (iv) The Notes shall be deemed to be redeemed *pro rata* in an amount equal to the Partial Principal Amount only. The Notes in an amount equal to the Aggregate Nominal Amount less the Partial Principal Amount shall remain outstanding (the “**Remaining Amount**”) and interest (if applicable) shall accrue on the Remaining Amount as provided for in the General Conditions and the applicable Final Terms (adjusted in such manner as the Calculation Agent determines to be appropriate).
  - (v) The provisions of these Credit Linked Conditions shall apply to any subsequent Credit Event Notices delivered in respect of any of the other Reference Entities that are identified as a result of the Succession Event.
  - (vi) The applicable Final Terms may be amended and restated at such time to reflect the effect of a Succession Event without the consent of the Noteholders and the Noteholders are deemed to agree to this provision by the purchase of the Notes.
- (d) Where the Notes are First-to-Default Credit Linked Notes,  $N^{th}$ -to-Default Credit Linked Notes or Linear Basket Notes :
- (i) Where a Succession Event has occurred in respect of a Reference Entity (each such Reference Entity and any Reference Entity previously the subject of a Succession Event, a “**Succession Event Reference Entity**” and the Reference Entities unaffected by such Succession Event or any previous Succession Event, the “**Non-Succession Event Reference Entities**”) and more than one Successor has been identified by the Calculation Agent, each such Successor will be deemed to be a Reference Entity for the purposes of the Notes (in such respect, each a “**Successor Reference Entity**”) and, to the extent applicable, the Calculation Agent shall apportion any outstanding principal amounts, Related Nominal Amounts or any other relevant calculation amounts, as applicable, equally in relation to each Successor Reference Entity.
  - (ii) Following the occurrence of a Succession Event, satisfaction of the Conditions to Settlement following a Credit Event with respect to any of the Non-Succession Event Reference Entities will cause the Notes to be redeemed in full in accordance with the provisions of these Credit Linked Conditions; provided that, in the case of  $N^{th}$ -to-Default Credit Linked Notes, satisfaction of the Conditions to Settlement following a Credit Event with respect to any of the Non-Succession Event Reference Entities will only cause the Notes to be redeemed in full as aforesaid where such Non-Succession Event Reference Entity is the  $N^{th}$  Reference Entity with respect to which the Conditions to Settlement have been satisfied.
  - (iii) Where a Credit Event occurs in respect of a Successor Reference Entity, the relevant provisions of these Credit Linked Conditions shall be deemed to apply to the principal amount of the Notes or Related Nominal Amount, as applicable, represented by the relevant Successor Reference Entity only (the “**Partial Principal Amount**”); provided that, in the case of  $N^{th}$ -to-Default Credit Linked Notes, such Successor Reference Entity is the  $N^{th}$  Reference Entity with respect to which the Conditions to Settlement have been satisfied, and all the provisions shall be construed accordingly. Subject as aforesaid, the Notes shall thereafter be redeemed in a proportion equal to the relevant proportion which the Partial Principal Amount forms of the Aggregate Nominal Amount of the Notes as of the Issue Date.
  - (iv) Without prejudice to Condition 1(a) of these Credit Linked Conditions, following a partial redemption of the Notes pursuant to sub-paragraph (iii) above, interest shall accrue on the remaining outstanding principal amount of the Notes immediately following the partial redemption as provided for in the General Conditions and these Credit Linked Conditions

(adjusted in such manner as the Calculation Agent in its sole and absolute discretion determines to be appropriate).

- (v) The provisions of these Credit Linked Conditions shall apply to any subsequent Credit Event Notices delivered in respect of any other Successor Reference Entities formed as a result of one or more Succession Events and/or any of the Non-Succession Event Reference Entities. For the avoidance of doubt, the provisions of this Condition (9)(d) of these Credit Linked Conditions shall apply to each Succession Event.
- (vi) Where the effect of the foregoing provisions would be to specify a Reference Entity more than once with respect to the Notes, that Reference Entity shall be deemed to be specified only once.
- (vii) Save as otherwise provided in the applicable Final Terms, where any Reference Entity (the “**Surviving Reference Entity**”) (other than a Reference Entity that is subject to a Succession Event) would be a Successor to any other Reference Entity (the “**Legacy Reference Entity**”) pursuant to a Succession Event through the application of the foregoing provisions, (I) if Fixed Number of Reference Entities is not specified as applicable in the applicable Final Terms, such Surviving Reference Entity shall be deemed a Successor to the Legacy Reference Entity or (II) if Fixed Number of Reference Entities is specified as applicable in the applicable Final Terms, such Surviving Reference Entity shall be deemed a Successor to the Legacy Reference Entity save that the principal amount of the Notes represented by such Reference Entity or Related Nominal Amount of such Reference Entity, as applicable, shall be equal to the principal amount of the Notes represented by the Surviving Reference Entity only or the Related Nominal Amount of such Surviving Reference Entity, as applicable, and the Calculation Agent shall select an additional entity to constitute a Reference Entity in respect of the principal amount of the Notes represented by the Legacy Reference Entity in respect of the related Nominal Amount relating to such Legacy Reference Entity (such entity an “**Additional Reference Entity**”) such that the number of Reference Entities prior to the Succession Event is equal to the number of Reference Entities following the Succession Event. The Additional Reference Entity shall be of the same Transaction Type (as defined in the 2005 Matrix Supplement) with a comparable credit rating as the Legacy Reference Entity, as determined by the Calculation Agent in its sole and absolute discretion. Any such Additional Reference Entity will be deemed to be a Reference Entity for the purposes of the Notes and all references in these Credit Linked Conditions to a “Reference Entity” or “Reference Entities” shall be construed accordingly.
- (viii) If one or more Additional Reference Entities are selected, the Calculation Agent may select a Substitute Reference Obligation in respect of each such Additional Reference Entity in accordance with the definition of “Substitute Reference Obligation”.
- (ix) Save as otherwise provided in the applicable Final Terms, in the event that (x) the Issuer becomes a Successor to any Reference Entity as a result of the application of the foregoing provisions, (y) the Issuer and any Reference Entity become Affiliates or (z) the Issuer or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all its assets to, a Reference Entity or the Issuer (as applicable), then the Issuer shall forthwith give notice of such circumstance to Noteholders. In such event, the Issuer may, but shall not be obliged to, on giving not more than 30 nor less than 15 days’ notice to Noteholders (the “**Seller Merger Notice**”), redeem all but not some of the Notes at the Early Redemption Amount specified in the Seller Merger Notice.
- (x) The applicable Final Terms may be amended and restated at such time to reflect the effect of a Succession Event without the consent of the Noteholders and the Noteholders are deemed

to agree to this provision by the purchase of the Notes.

#### 10. Restructuring Credit Event

- (a) If (i) Restructuring is specified in the applicable Final Terms as being an applicable Credit Event; (ii) either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and (iii) a Restructuring Credit Event occurs, then (unless otherwise specified in the applicable Final Terms), the Issuer may deliver multiple Credit Event Notices with respect to such Restructuring, each such Credit Event Notice setting forth the amount of the Aggregate Nominal Amount of the Notes or, if the Notes are Linear Basket Notes, of the Related Nominal Amount in respect of the relevant Reference Entity, as applicable, to which the Credit Event Notice relates (the “**Exercise Amount**”). If the relevant Credit Event Notice does not specify an Exercise Amount, then the Aggregate Nominal Amount of the Notes outstanding immediately prior to the delivery of such Credit Event Notice or, if the Notes are Linear Basket Notes, the Related Nominal Amount outstanding in respect of the relevant Reference Entity immediately prior to the delivery of such Credit Event Notice will be deemed to have been specified as the Exercise Amount. Accordingly, notwithstanding anything to the contrary in these Credit Linked Conditions, where a Restructuring has occurred and the Issuer has delivered a Credit Event Notice for an Exercise Amount that is less than the Aggregate Nominal Amount of the Notes outstanding or the Related Nominal Amount outstanding in respect of the relevant Reference Entity, in each case as at the date immediately prior to the delivery of such Credit Event Notice, as applicable, the provisions of these Credit Linked Conditions shall be deemed to apply to a principal amount of the Notes equal to the Exercise Amount only and all the provisions shall be construed accordingly. Each such Note shall be redeemed in part (such redeemed part being equal to the relevant proportion of the Exercise Amount).
- (b) The Notes shall be deemed to be redeemed pro rata in an amount equal to the Exercise Amount only. The Notes in an amount equal to the Aggregate Nominal Amount or the relevant Related Nominal Amount, as applicable, less the Exercise Amount shall remain outstanding (the “**Outstanding Amount**”) and interest (if applicable) shall accrue on the Outstanding Amount as provided for in the General Conditions, these Credit Linked Conditions and the applicable Final Terms (adjusted in such manner as the Calculation Agent determines to be appropriate).
- (c) In respect of any subsequent Credit Event Notices delivered:
  - (i) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event other than a Restructuring Credit Event must be equal to the outstanding principal amount of the Notes or the Related Nominal Amount outstanding in respect of the relevant Reference Entity, as applicable, at such time (and not a portion thereof); and
  - (ii) the Exercise Amount in connection with a Credit Event Notice describing a Restructuring Credit Event 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 Notes are denominated or any integral multiple thereof or the entire outstanding principal amount of the Notes or the Related Nominal Amount outstanding in respect of the relevant Reference Entity, as applicable, at such time.
- (d) For the avoidance of doubt, (i) in the case of a First-to-Default Credit Linked Note, once a Restructuring Credit Event has occurred in respect of a Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other than the Reference Entity that was the subject of the first occurring Restructuring Credit Event; (ii) in the case of an Nth-to-Default Credit Linked Note, if a Restructuring Credit Event has occurred in respect of the Nth Reference Entity, no further Credit Event Notices may be delivered in respect of any Reference Entity other

than the Nth Reference Entity; and (iii) in the case of a Linear Basket Note, the fact that a Restructuring Credit Event has occurred in respect of a Reference Entity shall not preclude delivery of a Credit Event Notice in respect of any other Reference Entity.

- (e) If “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation may only be (i) included in a Deliverable Obligation Entitlement and (ii) specified in the relevant Notice of Deliverable Obligation(s), Notice of Physical Settlement or specified in any NODO Amendment Notice or NOPS Amendment Notice, as applicable, if such Deliverable Obligation (A) is a Fully Transferable Obligation and (B) has a final maturity date not later than the applicable Restructuring Maturity Limitation Date.
- (f) If “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation may only be (i) included in a Deliverable Obligation Entitlement and (ii) specified in the relevant Notice of Deliverable Obligation(s), Notice of Physical Settlement or specified in any NODO Amendment Notice or NOPS Amendment Notice, 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.
- (g) If the provisions of this Condition 10 of these Credit Linked Conditions apply in respect of the Notes, on redemption of part of each such Note, the relevant Global Note shall be endorsed to reflect such partial redemption.
- (h) For the avoidance of doubt, if Restructuring is specified in the applicable Final Terms as being an applicable Credit Event and neither “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” nor “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms, the Issuer may not deliver multiple Credit Event Notices with respect to a Restructuring Credit Event. If a Restructuring Credit Event occurs, the Issuer may only deliver a single Credit Event Notice in respect of such Reference Entity and, subject to satisfaction of the Conditions to Settlement and the other provisions of these Credit Linked Conditions, each Note shall be redeemed in full (or, if the Notes are Linear Basket Notes, in part) pursuant to and in accordance with Condition 1(a) of these Credit Linked Conditions.

## **11. Adjustment Event**

If the applicable Final Terms specify that Adjustment Event(s) shall apply, then following the occurrence of an Adjustment Event at any time during the Observation Period, the Final Redemption Amount and/or the the Fixed Coupon Amounts or Interest Amounts and/or any other amount(s) otherwise payable in respect of the Notes shall be reduced by any loss suffered, or costs or expenses incurred, by the Issuer in connection with the Notes as a result of the occurrence of such Adjustment Event, as determined by the Calculation Agent, so as to put the Issuer in the same position in which it would have been but for the occurrence of such Adjustment Event. The Issuer shall endeavour to give notice to the Noteholders in accordance with the General Conditions as soon as reasonably practicable following the occurrence of an Adjustment Event (an “**Adjustment Notice**”). The Adjustment Notice shall specify the relevant adjustments to the Final Redemption Amount and/ or the Fixed Coupon Amounts or Interest Amounts and/or any other Amount(s) required as a result of such Adjustment Event.

## **12. The Calculation Agent**

The Calculation Agent, acting in good faith and in accordance with reasonable market practice with respect to the Italian Bonds and Italian Certificates which are admitted to trading, or for which an



application for admission to trading has been made or will be made, on an Italian Market, shall be responsible for:

- (a) determining whether an Event Determination Date has occurred;
- (b) determining whether any Auction, Request, DC Resolution and/or Credit Derivatives Auction Settlement Terms constitute an Applicable Auction, Applicable Request, Applicable Resolution or an Applicable Credit Derivatives Auction Settlement Terms, as applicable;
- (c) determining the identity of any Successor to the Reference Entity;
- (d) determining whether an event specified in sub-paragraph (i) of the definition of “Substitute Reference Obligation” has occurred;
- (e) identifying and determining a Substitute Reference Obligation;
- (f) obtaining Quotations (and, if necessary, determining whether such Quotations shall include or exclude accrued but unpaid interest) and determining the Final Price;
- (g) converting the Quotation Amount into the relevant Obligation Currency;
- (h) determining the Dealers, if any are to be appointed, and substituting Dealers;
- (i) determining the Overnight Rate (if necessary);
- (j) determining the Cash Settlement Amount (if necessary);
- (k) determining the Auction Cash Settlement Amount (if necessary);
- (l) determining the Partial Cash Settlement Amount (if necessary);
- (m) determining the Additional EDD Interest Amount(s) and/or EDD Adjustment Amount(s) (if necessary); and
- (n) making such other determination(s) and/or calculation(s) required to be made by it under these Credit Linked Conditions or in the applicable Final terms.

The Calculation Agent shall, as soon as practicable after obtaining any Quotation (if applicable), notify the Noteholders in writing of each such Quotation that it receives in connection with the calculation of the Final Price and shall provide to the Noteholders a written computation showing its calculation of the Final Price. In the absence of manifest error, all determinations of the Calculation Agent shall be binding on the Issuer and the Noteholders.

### **13. Modifications to the General Conditions**

For the purposes of Credit Linked Notes:

- (a) all references to the “Maturity Date” in the General Conditions shall be construed as references to the “Final Payment Date” as defined in these Credit Linked Conditions, except for the reference to “Maturity Date” in the first paragraph under Condition 3(a) of the General Conditions;
- (b) if Interest Period Dates are specified in the applicable Final Terms, then, notwithstanding Condition 3(a) of the General Conditions, “Fixed Interest Period” and “Interest Period” shall mean the period from (and including) an Interest Period Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Period Date. In such circumstances, interest shall accrue on the Notes at the Rate of Interest during the relevant Fixed Interest Period or Interest Period (as the case may be) and shall be payable on the Interest Payment Date or Specified Interest Payment Date (as the case may be) immediately following such Fixed Interest Period or Interest Period (as the case may be);
- (c) references to “Interest Payment Date” in the definition of “Day Count Fraction” in Condition 3 of the General Conditions shall be construed as references to “Interest Period Date” as defined in these

Credit Linked Conditions; and

- (d) the Calculation Agent shall determine in its sole and absolute discretion whether any Reference Entity is Japan Corporate or Japan Sovereign for the purposes of these Credit Linked Conditions.

#### **14. FX Convertibility Event and FX Transferability Event**

If (x) FX Convertibility Event is specified to be applicable in the applicable Final Terms and a FX Convertibility Event has occurred or is continuing, as determined by the Calculation Agent, on any date on which the Issuer is required to make any payment in respect of the Notes by the exchange of the Relevant Currency and/or the Specified Currency outside or within the Relevant Jurisdiction or (y) FX Transferability Event is specified to be applicable in the applicable Final Terms and a FX Transferability Event has occurred or is continuing, as determined by the Calculation Agent, on any date on which the Issuer is required to make any payment in respect of the Notes by the transfer of the Relevant Currency and/or the Specified Currency outside or within the Relevant Jurisdiction, then in either case the Issuer shall use reasonable endeavours (i) to pay such amount in the Relevant Currency to such Noteholder's Relevant Currency account or (ii) in the absence of such account or in the case of such Noteholder's failure to notify the Issuer of the details of such account in a timely manner, to any other account as the Issuer may determine (including, for the avoidance of doubt, an account which is or may be subject to limitations on conversion and/or repatriation) in which account any such amount shall be held for the benefit of such Noteholder. Payment of any such amount by the Issuer shall discharge the Issuer of its remaining obligations under the Notes in respect of such payment in the Relevant Currency. Should any account be opened by the Issuer for the Noteholder according to (ii) above, such account will be opened and maintained on the normal terms and conditions of the relevant institution, and in the event any interest accrues on the amount held in such account, such interest will be for the benefit of the relevant Noteholder. Any costs incurred by the Issuer in connection with the opening or maintenance of such account will be borne by the Noteholder, and the Issuer reserves the right to use the funds in such account to pay for such costs. The amount payable by the Issuer to the Noteholder in respect of the Notes shall be reduced by the amount of any such costs incurred by the Issuer. Such right of set-off is without prejudice to any additional right to claim such costs. In the event that the costs incurred by the Issuer in connection with the opening and/or maintenance of such account exceed the amount payable by the Issuer to the Noteholder in respect of the Notes or the amount held in such account for the Noteholder, the Issuer reserves the right to forego opening or to close such account.

If the Issuer determines, in its sole discretion, that any payment due on the Notes cannot, or cannot reasonably, be made following a FX Convertibility Event (if FX Convertibility Event is specified to be applicable in the applicable Final Terms) or a FX Transferability Event (if FX Transferability Event is specified to be applicable in the applicable Final Terms), then such payment shall be postponed until the next Payment Day on which such payment can, in the sole discretion of the Issuer, reasonably be made. For the avoidance of doubt, no additional amounts shall be payable by the Issuer in respect of the postponement of any payment in accordance with this provision.

Notwithstanding the above, if, following a FX Convertibility Event or a FX Transferability Event, as the case may be, the Issuer is unable to convert the Relevant Currency into the Permitted Currency in accordance with these Credit Linked Conditions for a period of five years (or such other period as may be specified in the applicable Final Terms) from the date on which payment was originally due to be made but for the FX Convertibility Event or the FX Transferability Event, as the case may be, then the Issuer shall be entitled to all amounts in such account, including accrued interest, if any, and no additional amounts shall be payable to the relevant Noteholder.

#### **15. Definitions**

For the purposes of these Credit Linked Conditions, the following words shall have the following meaning:

**“2005 Matrix Supplement”** means the 2005 Matrix Supplement to the 2003 ISDA Credit Derivatives Definitions as published by ISDA on 7 March 2005 in effect on the Issue Date;

**“Accelerated or Matured”** means an obligation under which the total amount owed, whether at maturity, by reason of acceleration, upon termination or otherwise (other than amounts in respect of default interest, indemnities, tax gross-ups and other similar amounts), is, or on or prior to the Delivery Date will be, 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;

**“Accreting Obligation”** means any obligation (including, without limitation, a Convertible Obligation or an Exchangeable Obligation), the terms of which expressly provide for an amount payable upon acceleration equal to the original issue price (whether or not equal to the face amount thereof) plus an additional amount or amounts (on account of original issue discount or other accruals of interest or principal not payable on a periodic basis) that will or may accrete, whether or not (a) payment of such additional amounts is subject to a contingency or determined by reference to a formula or index, or (b) periodic cash interest is also payable;

**“Additional EDD Interest Amount”** means an amount in the Specified Currency determined by the Calculation Agent in respect of each Note equal to the sum of:

- (a) each amount of interest that would have been payable in respect of each Note, but for the operation of Conditions 1(a), 6 and 8 of these Credit Linked Conditions and the original determination of the Event Determination Date, on each Interest Payment Date falling after the date originally determined to be the Event Determination Date, to and including the Interest Recommencement Date; and
- (b) interest accrued on each such amount on a daily basis at the applicable Overnight Rate as determined by the Calculation Agent for the period from, and including, the Interest Payment Date on which the relevant amount of interest that would have been paid but for the operation of Condition 1(a) of these Credit Linked Conditions and the original determination of the Event Determination Date to, but excluding, the Interest Recommencement Date. For the avoidance such interest will be compounded on a daily basis;

**“Adjustment Event”** means the occurrence of any of the events defined as such in the applicable Final Terms;

**“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 Nominal Amount”** means on the Issue Date the aggregate nominal amount of the Notes of such Series specified in the applicable Final Terms and on any date thereafter the aggregate nominal amount of the Notes of such Series outstanding on such date (taking into the aggregate nominal amount of the Notes of such Series on the Issuer Date and any amortisations, partial redemptions or further issues of the Notes of such Series on or prior to such date);

**“Alternative Settlement Notice”** shall have the meaning specified in Condition 2(d) of these Credit Linked Conditions;

**“Applicable Auction”** means an Auction which the Calculation Agent determines is relevant to a Credit Event with respect to a Reference Entity and Obligations thereof and which relates to deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) and/or Valuation Obligation(s), as applicable, under the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity, obligations and deliverable obligations to which the Auction relates and if the Auction relates to a Restructuring Credit

Event, the scheduled maturity date of the Notes and the scheduled termination date of the credit derivatives transactions covered by the Auction and the maturity date of the deliverable obligations to which the Auction relates, and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes);

**“Applicable Credit Derivatives Auction Settlement Terms”** means with respect to a Reference Entity, a Credit Event and an Applicable Auction, the Credit Derivatives Auction Settlement Terms (if any) which the Calculation Agent determines are relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) and deliverable obligations which are the subject of the relevant Credit Derivatives Auction Settlement Terms and the Credit Events, Reference Entities and Obligations and Deliverable Obligations under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes). The Calculation Agent shall, as soon as practicable after the relevant Applicable Credit Derivatives Auction Settlement Terms are published, notify the Issuer that Applicable Credit Derivatives Auction Settlement Terms have been published with respect to a Reference Entity and a Credit Event and make a copy thereof available for inspection by Noteholders at the specified office of the Paying Agents;

**“Applicable DC Credit Event Announcement”** means a DC Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof to which such DC Credit Event Announcement relates and the terms of the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes). An Applicable DC Credit Event Announcement will be deemed not to have occurred with respect to the Notes unless (i) the relevant Credit Event Resolution Request Date relating to the DC Credit Event Announcement and the relevant Credit Event was, in the determination of the Calculation Agent, an Applicable Request which occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date) and (ii) the Trade Date occurs on or prior to 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;

**“Applicable DC No Credit Event Announcement”** means a DC No Credit Event Announcement which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, reference entity and obligation(s) thereof which are the subject of the DC No Credit Event Announcement and the Credit Events, Reference Entities and Obligations thereof under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes);

**“Applicable Proportion”** means in respect of a redemption of a Note and a Credit Event:

- (a) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Note is not a Linear Basket Note, 100%; or
- (b) if the Credit Event is not a Multiple Exercise Restructuring Credit Event and the Note is a Linear Basket Note, an amount (expressed as a percentage) equal to the Related Nominal Amount of the Reference Entity to which the relevant Credit Event relates divided by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date; or
- (c) if the Credit Event is a Multiple Exercise Restructuring Credit Event, an amount (expressed as a percentage) equal to the Exercise Amount specified in the relevant Credit Event Notice relating to the relevant Reference Entity and Credit Event divided by the Aggregate Nominal Amount of the Notes outstanding as at the related Event Determination Date.

**“Applicable Request”** means a request that a Credit Derivatives Determinations Committee be convened to Resolve the matters described in the definition of Credit Event Resolution Request Date or

Succession Event Resolution Request Date, as applicable, which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof which are the subject of the request and the Credit Events, Reference Entities and Obligations thereof under the Notes and (b) any credit hedging transaction that the Issuer has entered or may enter into in connection with the Notes);

**“Applicable Resolution”** means a Resolution of a Credit Derivatives Determinations Committee which the Calculation Agent determines is relevant to the Notes (for which purpose the Calculation Agent may take into account (a) the credit derivatives transaction(s), credit event, succession event, reference entity and obligation(s) thereof and any other factor to which the Resolution relates and the terms of the Notes and (b) any hedging transaction that the Issuer has entered or may enter into in connection with the Notes);

**“Applicable Transaction Auction Settlement Terms”** means, with respect to a Reference Entity and a Credit Event, the relevant Credit Derivatives Auction Settlement Terms which the Calculation Agent determines constitute Applicable Credit Derivatives Auction Settlement Terms;

**“Asset Transfer Notice”** means a notice that complies with Condition 3(k) of these Credit Linked Conditions, issued by a Noteholder to the Issuer, in connection with a redemption of any Note wholly or in part by way of Physical Settlement;

**“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 of organisation) that are not then a lender or a member of the relevant lending syndicate without the consent of the relevant Reference Entity or the guarantor, if any, of such Loan (or the consent of the applicable borrower if a Reference Entity is guaranteeing such Loan) or any agent;

**“Auction”** means, with respect to a Reference Entity and a Credit Event, unless otherwise specified in the Applicable Transaction Auction Settlement Terms, an auction pursuant to which an Auction Final Price is to be determined in accordance with an auction procedure set out in the relevant Credit Derivatives Auction Settlement Terms;

**“Auction Cancellation Date”** means, with respect to an Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the date on which such Auction was deemed to have been cancelled as announced by ISDA (and/or the administrators specified in the relevant Credit Derivatives Auction Settlement Terms) on its website or such other date as determined and announced in accordance with the relevant Applicable Transaction Auction Settlement Terms;

**“Auction Cash Settlement Amount”** means, in respect of each Note, the amount determined in accordance with Condition 4 of these Credit Linked Conditions;

**“Auction Cash Settlement Date”** means the second Business Day following the Auction Settlement Date determined in accordance with the Applicable Credit Derivatives Auction Settlement Terms or such other date specified in the applicable Final Terms, as determined by the Issuer;

**“Auction Final Price”** means, with respect to an Applicable Auction, unless otherwise specified in the relevant Applicable Transaction Auction Settlement Terms, the price (expressed as a percentage) in respect of the deliverable obligations which would constitute Reference Obligation(s) and/or Deliverable Obligation(s) and/or Valuation Obligation(s) under the Notes determined to be the Auction Final Price in accordance with the relevant Applicable Transaction Auction Settlement Terms. The Calculation Agent shall as soon as practicable after publication of the Auction Final Price in respect of an Applicable Auction make available for inspection by Noteholders at the specified office of the Paying Agent a copy of the relevant Applicable Transaction Auction Settlement Terms and copies of the relevant publication of the Auction Final Price;

**“Auction Final Price Determination Date”** means, with respect to an Applicable Auction, the day, if any, on which the Auction Final Price is determined or such other date as specified in the relevant Applicable Transaction Auction Settlement Terms;

**“Auction Settlement Date”** means the date that is the number of Business Days specified in the relevant Applicable Transaction Auction Settlement Terms (or, if a number of Business Days is not so specified, five Business Days) immediately following the relevant Auction Final Price Determination Date;

**“Average Blended Highest”** means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Highest Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date;

**“Average Blended Market”** means, using values with respect to each Valuation Date determined by the Calculation Agent in accordance with the Blended Market Valuation Method, the unweighted arithmetic mean of the values so determined with respect to each Valuation Date;

**“Average Highest”** means, with respect to the Valuation Obligation on each Valuation Date, the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to such Valuation Obligation on each such date;

**“Average Market”** means, with respect to the Valuation Obligation on each Valuation Date, the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to such Valuation Obligation on each such date;

**“Bankruptcy”** means, with respect to a Reference Entity, such 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 judgement 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 judgement 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 (a) to (g) (inclusive) above;

**“Basket”** means a basket composed of the Reference Entities as specified in the applicable Final Terms;

**“Best Available Information”** means:

- (a) in the case of a Reference Entity which files information with its primary securities regulator or primary stock exchange that includes unconsolidated, pro forma financial information which assumes that the relevant Succession Event has occurred or which provides such information to its shareholders, creditors or other persons whose approval of the Succession Event is required, that unconsolidated, pro forma financial information and, if provided subsequently to the provision of

unconsolidated, pro forma financial information but before the Calculation Agent makes its determination for the purposes of the definition of “Successor”, other relevant information that is contained in any written communication provided by the Reference Entity to its primary securities regulator, primary stock exchange, shareholders, creditors or other persons whose approval of the Succession Event is required; or

- (b) in the case of a Reference Entity which does not file with its primary securities regulators or primary stock exchange, and which does not provide to shareholders, creditors or other persons whose approval of the Succession Event is required, the information contemplated in (a) above, the best publicly available information at the disposal of the Calculation Agent to allow it to make a determination for the purposes of the definition of “Successor”,

provided that information which is made available more than 14 calendar days after the legally effective date of the Succession Event shall not constitute Best Available Information;

“**Best Currency Rate**” means the rate of exchange obtained by the Issuer in its sole discretion (acting in a commercially reasonable manner) equal to the rate of conversion of the currency of the Valuation Obligation into the Specified Currency or vice versa, as applicable in respect of the relevant Series of Notes;

“**Blended Highest**” means with respect to each Valuation Obligation on the relevant Valuation Date the unweighted arithmetic mean of the highest Quotations obtained by the Calculation Agent with respect to each such Valuation Obligation on such date;

“**Blended Market**” means, with respect to each Valuation Obligation on the relevant Valuation Date, the unweighted arithmetic mean of the Market Values determined by the Calculation Agent with respect to each such Valuation Obligation on such date;

“**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;

“**Bond or Loan**” means any obligation that is either a Bond or a Loan;

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

“**Cash Settlement Amount**” means, in respect of each Note, the amount determined in accordance with Condition 2 of these Credit Linked Conditions;

“**Cash Settlement Date**” means, subject to Condition 5 of these Credit Linked Conditions, (i) if the Cash Settlement Amount is not specified in the applicable Final Terms, the date that is three Business Days (or such other number of Business Days specified in the applicable Final Terms) following the calculation of the relevant Final Price or, (ii) if the Cash Settlement Amount or the Final Price is specified in the applicable Final Terms, the date that is three Business Days (or such other number of Business Days specified in the applicable Final Terms) following the satisfaction of all Conditions to Settlement relevant to such Credit Event (or, if Cash Settlement is applicable pursuant to the Fallback Settlement Basis in accordance with Condition 4 of these Credit Linked Conditions);

The “**Conditions to Settlement**” shall be deemed to be satisfied in full by the occurrence of an Event Determination Date to the extent that such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Scheduled Observation End Date, as applicable, unless “Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms (or is applicable pursuant to

the Fallback Settlement Basis), in which case all of the Conditions to Settlement shall be deemed to be satisfied by the satisfaction of the Notice of Physical Settlement Condition to Settlement on or following the occurrence of an Event Determination Date. For the avoidance of doubt, if an Event Determination Date is subsequently reversed prior to the relevant Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date), or the Scheduled Observation End Date, the Conditions to Settlement shall not be deemed to have been satisfied with respect to the related Credit Event and Reference Entity for the purposes of these Credit Linked Conditions. Where the Notes are First-to-Default Credit Linked Notes, the Conditions to Settlement shall apply solely to one Reference Entity, which shall be the first Reference Entity with respect to which an Event Determination Date occurs. Where the Notes are Nth-to-Default Credit Linked Notes, the Conditions to Settlement shall apply solely to the Nth Reference Entity with respect to which an Event Determination Date occurs. Where the Notes are Linear Basket Notes, the Conditions to Settlement may be satisfied and an Event Determination Date may occur in respect of each Reference Entity comprised in the Basket, provided that, other than in respect of a Restructuring, the Conditions to Settlement shall apply only once to each such Reference Entity;

**“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, 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 a 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.

For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Conditionally Transferable Obligation, such determination shall be made as of the Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Issuer.

**“Conditions to Settlement End Date”** means the later of (i) the last day of the period described in sub-paragraph (a) of the definition of Event Determination Date, and (ii) the last day of the latest of the periods described in the definition of Notice of Physical Settlement Conditions to Settlement, if applicable;

**“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 a Reference Entity is guaranteeing such Loan) or any agent;

**“Convertible Obligation”** means any obligation that is convertible, in whole or in part, into Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation);

**“Credit Derivatives Auction Settlement Terms”** means any Credit Derivatives Auction Settlement Terms published by ISDA in accordance with the Rules, a form of which will be published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and may be amended from time to time in accordance with the Rules;

**“Credit Derivatives Determinations Committees”** means the committees established by ISDA for purposes of reaching certain DC Resolutions in connection with credit derivative transactions, as more fully described in the Rules;



**“Credit Event”** means, as determined by the Calculation Agent, the occurrence of any or any combination of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring, as specified in the applicable Final Terms. 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 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 restriction imposed by any monetary or other authority, however described;

**“Credit Event Backstop Date”** means:

- (a) for the purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in sub-paragraph (ii) of the definition thereof) for the purposes of certain credit derivatives transactions, as determined by a DC Resolution, provided such DC Resolution is an Applicable Resolution, the date that is 60 calendar days prior to the Credit Event Resolution Request Date, provided that the Calculation Agent determines that the DC Resolution is an Applicable Resolution and the Credit Event Resolution Request Date relates to an Applicable Request; or
- (b) otherwise, the date that is 60 calendar days prior to the earlier of:
  - (i) the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement in the applicable Final Terms, the Notice of Publicly Available Information are delivered by the Issuer to the Calculation Agent and are effective during the Notice Delivery Period; and
  - (ii) in circumstances where (I) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules in relation to an Applicable Request, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, provided that such Resolution is an Applicable Resolution and (III) the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement in the applicable Final Terms, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Credit Event Resolution Request Date.

The Credit Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention;

**“Credit Event Notice”** means an irrevocable notice from the Issuer to the Calculation Agent (which the Issuer has the right but not the obligation to deliver) that describes a Credit Event that occurred on or after the Observation Start Date and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A Credit Event Notice will contain a description in reasonable detail of the facts relevant to the determination that a Credit Event has occurred. 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. A copy of any Credit Event notice delivered to the Calculation Agent shall be

delivered to Noteholders as soon as reasonably practicable thereafter. In addition, if “Cash or Physical Settlement or Auction Settlement” or “Cash or Physical Settlement” is specified as the Settlement Basis in the applicable Final Terms, the Issuer shall notify Noteholders of its election to redeem the Notes by Cash Settlement or Physical Settlement or Auction Settlement (in case of “Cash or Physical Settlement or Auction Settlement”) (and the applicable Fallback Settlement Basis) or by Cash Settlement or Physical Settlement (in case of “Cash or Physical Settlement”) as soon as reasonably practicable;

“**Credit Event Resolution Request Date**” means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a credit event for purposes of certain credit derivative transaction(s) has occurred with respect to a particular reference entity or obligation thereof; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the first date on which such notice was effective and on which the relevant Credit Derivatives Determinations Committee was in possession, in accordance with the Rules, of publicly available information with respect to the DC Resolutions referred to in (a) and (b) above;

“**Currency Amount**” means, with respect to a Deliverable Obligation denominated in a currency other than the Specified Currency and is specified in these Credit Linked Conditions to be determined by reference to a Currency Amount, such amount converted to the relevant Specified Currency using the Best Currency Rate;

“**Cut-Off Date**” shall have the meaning specified in Condition 3(f) of these Credit Linked Conditions;

“**DC Credit Event Announcement**” means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved that (a) an event that constitutes a credit event for purposes of certain credit derivative transactions has occurred with respect to such Reference Entity (or an Obligation thereof) and the Calculation Agent determines that such Resolution is an Applicable Resolution relevant to the Notes and (b) the Calculation Agent determines that such event occurred on or after the relevant Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time));

“**DC No Credit Event Announcement**” means, with respect to a Reference Entity, a public announcement by ISDA that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, that the event that is the subject of the notice to ISDA resulting in the occurrence of such Credit Event Resolution Request Date does not constitute a credit event for purposes of the certain credit derivatives transactions with respect to such Reference Entity (or an obligation thereof);

“**DC Party**” has the meaning given to that term in the Rules;

“**DC Resolution**” has the meaning given to that term in the definition of Resolve below;

“**Dealer**” means a dealer (other than the Issuer, the Guarantor or any Affiliate of the Guarantor, unless otherwise specified in the applicable Final Terms) in obligations of the type of Obligation(s) for which Quotations are to be obtained, as selected by the Calculation Agent;

**“Default Requirement”** means the amount as may be specified as such in the applicable Final Terms or its equivalent in the Obligation Currency or, if a Default Requirement is not so specified in the applicable Final Terms, U.S.\$10,000,000 or its equivalent in the Obligation Currency, in each case as of the occurrence of the relevant Credit Event;

**“Deliver”** means, with respect to Deliverable Obligations comprised in any Deliverable Obligation Entitlement, to deliver, novate, transfer (including in the case of a Qualifying Guarantee, transfer of the benefit of the Qualifying Guarantee), assign or sell, as appropriate, in the manner customary for the settlement of such Deliverable Obligation(s) (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in such Deliverable Obligation(s) to the relevant Noteholder free and clear of any and all liens, charges, claims or encumbrances (including without limitation any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in (a) to (d) inclusive of the definition of “Credit Event” above) or right of set-off by or of the Reference Entity or as applicable an Underlying Obligor); provided that (A) to the extent that the Deliverable Obligation Entitlement contains Deliverable Obligation(s) that are Direct Loan Participations, **“Deliver”** shall mean the creation (or procurement of the creation) of a participation in favour of the relevant Noteholder and (B) to the extent that the Deliverable Obligation Entitlement contains Deliverable Obligation(s) that are Qualifying Guarantees, **“Deliver”** shall mean to Deliver both the Qualifying Guarantee and the Underlying Obligation. **“Delivery”** and **“Delivered”** shall be construed accordingly;

**“Deliverable Obligation”** means (a) any obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified to apply in the applicable Final Terms as provider of any Qualifying Guarantee) described by the Deliverable Obligation Category specified in the applicable Final Terms (but excluding any Excluded Deliverable Obligation) and, subject to Condition 3 of these Credit Linked Conditions, having one or more of the Deliverable Obligation Characteristics specified in the applicable Final Terms that (i) is payable in an amount equal to its outstanding principal balance or Due and Payable Amount, as applicable and (ii) is not subject to any counterclaim, defence (other than a counterclaim or defence based on the factors set forth in (a) to (d) of the definition of “Credit Event” above or right of set off by or of a Reference Entity or any applicable Underlying Obligor) and (iii) in the case of a Qualifying Guarantee other than a Qualifying Affiliate Guarantee, is capable, at the Delivery Date, of immediate assertion or demand by or on behalf of the holder or holders against the Reference Entity for an amount at least equal to the outstanding principal balance or Due and Payable Amount being Delivered apart from the giving of any notice of non-payment or similar procedural requirement, it being understood that acceleration of an Underlying Obligation shall not be considered a procedural requirement, (b) each Reference Obligation, unless such Reference Obligation is an Excluded Deliverable Obligation; and, if such Reference Obligation is a Convertible Obligation or an Exchangeable Obligation provided that the right (A) to convert or exchange such obligation or (B) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price in whole or in part in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date, and (c) any other obligation of a Reference Entity specified as such in the applicable Final Terms;

**“Deliverable Obligation Category”** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, as specified in the applicable Final Terms (each as defined herein, except that, for the purpose of determining Deliverable Obligation(s), the definition of Reference Obligations Only shall be amended to state that no Deliverable Obligation Characteristics shall be applicable to Reference Obligations 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 Contingent, Not Domestic Issuance, Assignable Loan, Consent Required Loan, Direct Loan Participation, Transferable,

Maximum Maturity, Accelerated or Matured and Not Bearer, as specified in the applicable Final Terms, provided that if (i) either of the Deliverable Obligation Characteristics “Listed” or “Not Bearer” is specified in the applicable Final Terms, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Deliverable Obligation Category; (ii) the Deliverable Obligation Characteristic “Transferable” is specified in the applicable Final Terms, 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 (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category); or (iii) any of the Deliverable Obligation Characteristics “Assignable Loan”, “Consent Required Loan” or “Direct Loan Participation” is specified in the applicable Final Terms, 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 shall only be relevant if Loans are covered by the selected Deliverable Obligation Category;

**“Deliverable Obligation Entitlement”** means, in respect of a Note, the amount of Deliverable Obligations in respect of such Note Deliverable to the relevant Noteholder as determined in accordance with Condition 3 of these Credit Linked Conditions;

**“Delivery Date”** means, with respect to any Deliverable Obligation comprising any Deliverable Obligation Entitlement, the date such Deliverable Obligation is Delivered;

**“Delivery Expenses”** shall have the meaning specified in Condition 3(m) of these Credit Linked Conditions;

**“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 the Noteholder that provides such 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 such Noteholder and either (a) the Issuer (to the extent the Issuer is then a lender or a member of the relevant lending syndicate), or (b) a Qualifying Participation Seller (if any) (to the extent such Qualifying Participation Seller is then a lender or a member of the relevant lending syndicate);

**“Domestic Currency”** means the currency specified as such in the applicable Final Terms and any successor currency. 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 relevant Reference Entity is not a Sovereign. In no event shall Domestic Currency include any successor currency if such successor currency is the lawful currency of any of Canada, Japan, Switzerland, the United Kingdom or the United States of America or the euro (or any successor currency to any such currency);

**“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 under (and in accordance with the terms of) a Deliverable Obligation on the Delivery Date, whether by reason of acceleration, maturity, termination or otherwise (excluding sums in respect of default interest, indemnities, tax gross-ups and other similar amounts);

**“EDD Adjustment Amount”** means an amount in the Specified Currency determined by the Calculation Agent in respect of each Note equal to the sum of:

- (a) each amount of interest in respect of each Note that would not have been paid (if any) on any Interest Payment Date to Noteholders had the earlier Event Determination Date been the date originally determined as the Event Determination Date; and
- (b) interest accrued on each such amount on a daily basis at the applicable Overnight Rate as determined by the Calculation Agent for the period from, and including, the Interest Payment Date on which the relevant interest amount was paid to, but excluding, the date on which the Notes are redeemed. For the avoidance such interest will be compounded on a daily basis;

**“Eligible Transferee”** means:

- (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 specified 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 the preceding clause (a) of this definition;
- (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 collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that (1) has total assets of at least USD 100,000,000 or (2) is one of a group of investment vehicles under common control or management having, in the 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 sub-paragraph (a), (b), (c)(ii) or (d) of this definition; and/or
- (d) a Sovereign, Sovereign Agency or Supranational Organization.

**“Enabling Obligation”** means an outstanding Deliverable Obligation that (i) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable, and (ii) has a final maturity date occurring on or prior to the Scheduled Observation End Date and following the Limitation Date immediately preceding the Scheduled Observation End Date (or, in circumstances where the Scheduled Observation End Date occurs prior to the 2.5-year Limitation Date, following the final maturity date of the Latest Maturity Restructured Bond or Loan, if any);

**“Equity Securities”** means (a) in the case of a Convertible Obligation, equity securities (including options and warrants) of the issuer of such obligation or depositary receipts representing those equity securities of the issuer of such obligation together with any other property to be distributed to or made available to holders of those equity securities from time to time, and (b) in the case of an Exchangeable Obligation, equity securities (including options and warrants) of a person other than the issuer of such obligation or depositary receipts representing those equity securities of a person other than the issuer of such obligation together with any other property to be distributed to or made available to holders of those equity securities from time to time;

**“Event Determination Date”** means, with respect to a Credit Event:

- (a) subject to sub-paragraph (b) of this definition, if neither an Applicable DC Credit Event Announcement nor an Applicable DC No Credit Event Announcement has occurred, the first date on

which the Calculation Agent determines that both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement in the applicable Final Terms, the Notice of Publicly Available Information are delivered by the Issuer to the Calculation Agent and are effective during either:

- (i) the Notice Delivery Period; or
  - (ii) the period (A) from, and including, the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date and the Calculation Agent determines that such Resolution constitutes an Applicable Resolution and (B) to, and including, the date that is 14 calendar days thereafter (provided that the relevant Credit Event Resolution Request Date in respect of an Applicable Request occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date)); or
- (b) notwithstanding sub-paragraph (a) of this definition, if an Applicable DC Credit Event Announcement has occurred as determined by the Calculation Agent, either:
- (i) the Credit Event Resolution Request Date (in respect of the relevant Applicable Request as determined by the Calculation Agent), if either:
    - (A) each of the following apply:
      - (I) “Event Determination Date Version A” is specified in the applicable Final Terms;
      - (II) the relevant Credit Event is not a Restructuring; and
      - (III) either (y) if “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, the Trade Date occurs on or prior to the Auction Final Price Determination Date in respect of an Applicable Auction, the Auction Cancellation Date in respect of an Applicable Auction, or the date that is 21 calendar days following the No Auction Announcement Date and the Calculation Agent determines that such announcement is an Applicable Announcement, if any, as applicable; or (z) if “Auction Settlement” is not specified as the Settlement Basis in the applicable Final Terms, the Trade Date occurs on or prior to the relevant Applicable DC Credit Event Announcement; or
    - (B) each of the following apply:
      - (I) either (y) “Event Determination Date Version B” is specified in the applicable Final Terms or (z) the relevant Credit Event is a Restructuring; and
      - (II) the Credit Event Notice is delivered by the Issuer to the Calculation Agent and is effective on or prior to the relevant Exercise Cut-off Date; or
  - (ii) the first date on which the Credit Event Notice is delivered by the Issuer to the Calculation Agent and is effective during the Notice Delivery Period or the period from, and including, the date on which ISDA publicly announces the occurrence of the relevant Applicable DC Credit Event Announcement to, and including, the date that is fourteen calendar days thereafter (provided that the relevant Credit Event Resolution Request Date occurred on or prior to the end of the last day of the Notice Delivery Period (including prior to the Trade Date) and is an Applicable Request as determined by the Calculation Agent), if either:
    - (A) each of the following apply:
      - (I) “Event Determination Date Version A” is specified in the applicable Final Terms;

- (II) the relevant Credit Event is not a Restructuring;
  - (III) “Auction Settlement” is not specified as the Settlement Basis in the applicable Final Terms; and
  - (IV) the Trade Date occurs following the relevant Applicable DC Credit Event Announcement; or
- (B) each of the following apply:
- (I) “Event Determination Date Version B” is specified in the applicable Final Terms; and
  - (II) either (y) “Auction Settlement” is not specified as the Settlement Basis in the applicable Final Terms; or (z) if “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, the Credit Event Notice is delivered by the Issuer to the Calculation Agent and is effective on a date that is later than the relevant Exercise Cut-off Date,

provided that, in the case of this sub-paragraph (b):

- (1) no Physical Settlement Date, if applicable, or Cash Settlement Date, Auction Cash Settlement Date or Final Payment Date has occurred on or prior to the date on which the Applicable DC Credit Event Announcement occurs;
- (2) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the Applicable DC Credit Event Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Aggregate Nominal Amount of the Notes outstanding or the Related Nominal Amount outstanding in respect of the Reference Entity to which such Event Determination Date relates, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred; and
- (3) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by the Issuer to the Calculation Agent, (aa) unless the Restructuring specified in such Credit Event Notice is also the subject of the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date or (bb) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the Aggregate Nominal Amount of the Notes then outstanding (or, in the case of Linear Basket Notes, the Related Nominal Amount then outstanding in respect of the relevant Reference Entity);

“**Exchangeable Obligation**” means any obligation that is exchangeable, in whole or in part, for Equity Securities solely at the option of holders of such obligation or a trustee or similar agent acting for the benefit only of holders of such obligation (or the cash equivalent thereof, whether the cash settlement option is that of the issuer or of (or for the benefit of) the holders of such obligation);

“**Excluded Deliverable Obligation**” means any obligation identified as such in the applicable Final Terms;

“**Excluded Obligation**” means any obligation identified as such in the applicable Final Terms;

“**Exercise Amount**” has the meaning set out in Condition 10(a) of these Credit Linked Conditions;

“**Exercise Cut-off Date**” means, with respect to a Credit Event:

- (a) if such Credit Event is not a Restructuring (or if such Credit Event is a Restructuring, neither “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” nor “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms), either;

- (i) the Relevant City Business Day prior to the Auction Final Price Determination Date in respect of an Applicable Auction, if any;
  - (ii) the Relevant City Business Day prior to the Auction Cancellation Date, if any; or
  - (iii) the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable; or
- (b) if such Credit Event is a Restructuring and either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and:
- (i) the relevant Credit Derivatives Determinations Committee has Resolved that Applicable Transaction Auction Settlement Terms and/or Parallell Auction Settlement Terms may be published, the date that is seven Relevant City Business Days following the date on which ISDA publishes the Final List applicable to such Credit Derivatives Auction Settlement Terms in accordance with the Rules, provided that the Calculation Agent determines that such Resolution and Credit Derivatives Auction Settlement Terms constitute an Applicable Resolution and Applicable Credit Derivatives Auction Settlement Terms, as applicable; or
  - (ii) a No Auction Announcement Date occurs pursuant to sub-paragraph (a) of the definition of No Auction Announcement Date, the date that is 21 calendar days following such No Auction Announcement Date;

“**Extension Date**” means, the latest to occur of:

- (a) the Scheduled Observation End Date;
- (b) the Grace Period Extension Date if:
  - (i) Grace Period Extension is specified as applicable in the applicable Final Terms;
  - (ii) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of a Credit Event Resolution Request Date, as applicable, is a Failure to Pay Credit Event that occurs after the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)); and
  - (iii) the Potential Failure to Pay with respect to such Failure to Pay occurs on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)); and
- (c) the Repudiation/Moratorium Evaluation Date if:
  - (i) the Credit Event that is the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of a Credit Event Resolution Request Date, as applicable, is a Repudiation/Moratorium for which the event described in sub-paragraph (ii) of the definition of Repudiation/Moratorium occurs after the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time));
  - (ii) the Potential Repudiation/Moratorium with respect to such Repudiation/Moratorium occurs on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)); and
  - (iii) the Repudiation/Moratorium Extension Condition is satisfied;



**“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;

**“Fallback Settlement Basis”** means, with respect to Notes for which “Auction Settlement” is specified as the Settlement Basis in the applicable Final Terms, the Fallback Settlement Basis specified in such Final Terms or, if no Fallback Settlement Basis is so specified, the Fallback Settlement Basis shall be deemed to be “Cash Settlement”;

**“Final List”** has the meaning given to that term in the Rules;

**“Final Payment Date”** means, subject to postponement pursuant to Condition 7 of these Credit Linked Conditions, the date as specified in the applicable Final Terms, provided that if no date is so specified, the Final Payment Date shall be the date that is two Business Days after the Scheduled Observation End Date;

**“Final Price”** means, with respect to any Valuation Obligation, the price of the Valuation Obligation, expressed as a percentage, determined by the Calculation Agent as of the Valuation Date in accordance with the Valuation Method specified in the applicable Final Terms;

**“First-to-Default Credit Linked Notes”** means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to any of such Reference Entities, the Notes will be redeemed in accordance with the relevant Settlement Basis;

**“Fractional Entitlement”** shall have the meaning specified in Condition 3(l) of these Credit Linked Conditions;

**“Full Quotation”** means, in accordance with the Quotation Method, each firm quotation obtained from a Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Valuation Obligation(s) with an aggregate outstanding principal balance 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. 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. For purposes of determining whether a Deliverable Obligation satisfies the requirements of the definition of Fully Transferable Obligation, such determination shall be made as of the Delivery Date for the Deliverable Obligation, taking into account only the terms of the Deliverable Obligation and any related transfer or consent documents which have been obtained by the Issuer;

**“FX Convertibility Event”** means, as determined by the Calculation Agent, the occurrence of any of the following: (i) the existence, adoption, enactment, implementation or modification of any rule, regulation or statute by any Governmental Authority, adoption of or change in interpretation thereof or any action whatsoever, which has the effect of imposing any exchange controls, limitations or restrictions on the convertibility of the Relevant Currency or the Specified Currency into a Permitted Currency or viceversa; (ii) the general unavailability of the Permitted Currency at a spot rate of exchange (applicable to the purchase of the Permitted Currency for the Relevant Currency or the Specified Currency or viceversa) in legal exchange markets officially recognised as such by the government of the Relevant Jurisdiction and in accordance with normal commercial practice; (iii) any action taken by any Governmental Authority in

the Relevant Jurisdiction with general application to annul, render unenforceable or reduce the amount to be received, or increase the amount to be paid at settlement of spot, forward or European option currency transactions; (iv) the existence, enactment, imposition or extension of any regulation that requires the provision of a notice period to convert the Relevant Currency or the Specified Currency into a Permitted Currency or viceversa; (v) the forced conversion of deposits of the Permitted Currency held inside the Relevant Jurisdiction into the Relevant Currency or the Specified Currency; or (vi) any action taken by any Governmental Authority (or any successor thereto), which has the effect described in (i), (ii), (iii), (iv) or (v) above on the operations of the Reference Entity, the Issuer, the Guarantor or its associated entities.

**“FX Transferability Event”** means, as determined by the Calculation Agent, the occurrence of any of the following: the existence, adoption, enactment, implementation or modification of any rule, regulation or statute by any Governmental Authority, adoption of or change in interpretation thereof or any action whatsoever, which has the effect of limiting or restricting the transfer of a Permitted Currency or the Relevant Currency or the Specified Currency in any manner outside the Relevant Jurisdiction or in any manner within the Relevant Jurisdiction, including, but not limited to, between accounts of the Issuer, the Guarantor (and its related or associated entities) and its agents, or between the Issuer, the Guarantor and any third party (including any clearing system);

**“Governmental Authority”** means any *de facto* or *de jure* government (or any agency, instrumentality, ministry or department thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of a Reference Entity or of the jurisdiction of incorporation, registration or organisation of a Reference Entity;

**“Grace Period”** means:

- (a) subject to sub-paragraphs (b) and (c) below, the applicable grace period with respect to payments under the relevant Obligation under 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 specified in the applicable Final Terms as applicable, a Potential Failure to Pay has occurred on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), and the applicable grace period cannot, by its terms, expire on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), the Grace Period shall be deemed to be the lesser of such grace period and the number of days specified as such in the applicable Final Terms or, if a number of days is not so 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 the applicable Final Terms, such deemed Grace Period shall expire no later than the Scheduled Observation End;

**“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 and if a place or places are not so specified, in the jurisdiction of the Obligation Currency;

**“Grace Period Extension Date”** means, if (i) “Grace Period Extension” is specified as applying in the applicable Final Terms and (ii) a Potential Failure to Pay occurs on or prior to the Scheduled

Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), the date that is five Business Days following the day falling after the number of days in the Grace Period after the date of such Potential Failure to Pay;

**“Grace Period Extension Notice”** means an irrevocable notice from the Issuer to the Noteholders that describes a Potential Failure to Pay that occurred on or after the Observation Start Date and on or prior to the Scheduled Observation End Date. A Grace Period Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Failure to Pay has occurred and indicate that date of the occurrence. A Grace Period Extension Notice shall be subject to the requirements regarding notices contained in Condition 10 of the General Conditions;

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer and/or its affiliates at any time with respect to the Notes, including, without limitation, the entry into of any transaction(s) and/or the purchase and/or sale of any Reference Obligation or Deliverable Obligation and any associated foreign exchange transactions;

**“Hedge Unwind Costs”** means, (i) if “Hedge Unwind Adjustment” is specified as applying in the applicable Final Terms, the sum of all costs, expenses (including loss of funding), taxes and duties incurred by (or on behalf of) the Issuer in connection with the redemption of the Notes and the termination, settlement and re-establishment of any Hedging Arrangement following the occurrence of a Termination Event and/or Credit Event; or (ii) if “Hedge Unwind Adjustment” is not specified as applying in the applicable Final Terms, zero;

**“Highest”** means, with respect to the Valuation Obligation on the relevant Valuation Date, the highest Quotation obtained by the Calculation Agent with respect to such Valuation Obligation on such date;

**“Interest Recommencement Date”** shall have the meaning specified in Condition 8 of these Credit Linked Conditions;

**“Interest Period Date”** means each date specified as such in the applicable Final Terms, provided that if no dates are so specified, the Interest Period Dates shall be each Interest Payment Date;

**“ISDA”** means International Swaps and Derivatives Association, Inc. or any successor thereto as determined by the Calculation Agent;

**“Latest Permissible Physical Settlement Date”** means the date that, in respect of Conditions 3(b)(iii) and 3(i)(ii)(A) of these Credit Linked Conditions, is thirty calendar days after the relevant Physical Settlement Date and, in respect of Condition 3(i)(ii)(B) and (C) of these Credit Linked Conditions, the date that is fifteen Business Days after the relevant Physical Settlement Date;

**“Limitation Date”** means the first of 20 March, 20 June, 20 September or 20 December 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 (the **“5-year Limitation Date”**), 7.5 years, 10 years, 12.5 years, 15 years, or 20 years (the **“20-year Limitation Date”**), as applicable. Limitation Dates shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms;

**“Linear Basket Notes”** mean Notes which are specified as such in the applicable Final Terms, in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, on each occasion on which a Credit Event occurs and the Conditions to Settlement are satisfied with respect to any of the Reference Entities, the Notes will be redeemed in part in an amount determined by reference to the Related Nominal Amount relating to such Reference Entity in accordance with the relevant Settlement Basis;

**“Listed”** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange;

**“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 other than a Saturday or Sunday on which commercial banks are generally open for business in London;

**“Market”** means, with respect to the Valuation Obligation on the relevant Valuation Date, the Market Value determined by the Calculation Agent with respect to such Valuation Obligation on such date;

**“Market Value”** means, with respect to a Valuation Obligation on a Valuation Date, (a) if more than three Full Quotations are obtained, the arithmetic mean of such Full Quotations, disregarding the Full Quotations having the highest and lowest values (and, if more than one such Full Quotations have the same highest or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (b) if exactly three Full Quotations are obtained, the Full Quotation remaining after disregarding the highest and lowest Full Quotations (and, if more than one such Full Quotations have the same highest value or lowest value, then one of such highest or lowest Full Quotations shall be disregarded); (c) if exactly two Full Quotations are obtained, the arithmetic mean of such Full Quotations; (d) if fewer than two Full Quotations are obtained and a Weighted Average Quotation is obtained, such Weighted Average Quotation; (e) if fewer than two Full Quotations are obtained and no Weighted Average Quotation is obtained (and subject to sub-paragraph (b) of the definition of “Quotation” below), an amount determined by the Calculation Agent on the next Business Day on which at least two Full Quotations or a Weighted Average Quotation is obtained; and (f) if two or more Full Quotations are not obtained within the additional ten Business Day period set forth in sub-paragraph (b) of the definition of “Quotation” below, the Market Value shall be determined as provided in such sub-paragraph (b);

**“Maximum Maturity”** means an obligation that has a remaining maturity from the Physical Settlement Date of not greater than the period specified in the applicable Final Terms;

**“Minimum Quotation Amount”** means the lower of (i) U.S.\$1,000,000 (or its equivalent in the relevant Obligation Currency) and (ii) the Quotation Amount;

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

**“Modified Restructuring Maturity Limitation Date”** means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Observation End Date, provided that, in circumstances where the Scheduled Observation End Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. If “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and the Scheduled Observation End Date is later than the 2.5-year Limitation Date and, prior to the 5-year Limitation Date, a Restructured Bond or Loan will not constitute an Enabling Obligation. Notwithstanding the foregoing, if the Scheduled Observation End Date is either (i) on or prior to the 2.5-year Limitation Date or (ii) later than the 2.5-year Limitation Date and on or prior to the 5-year Limitation Date and no Enabling Obligation exists, the Modified Restructuring Maturity Limitation Date will be the 5-year Limitation Date in the case of a Restructured Bond or Loan only.

Subject to the foregoing, in the event that the Scheduled Observation End Date is later than (A) the 2.5-year Limitation Date and no Enabling Obligation exists or (B) the 20-year Limitation Date, the Modified Restructuring Maturity Limitation Date will be the Scheduled Observation End Date;

**“Movement Option”** means, if either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable

Obligation Applicable” is specified as applicable in the applicable Final Terms, and if a No Auction Announcement Date has occurred pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date, the option of the Issuer to determine in good faith the Parallel Auction Settlement Terms, if any, that shall be deemed to be applicable for the purposes of the Notes and Auction Settlement in respect of a Reference Entity and a Credit Event (for which purpose the Issuer may take into account (a) the terms of the relevant Parallel Auction Settlement Terms, the permissible derivable obligations thereunder, the Deliverable Obligations under the Notes and (b) any hedging transaction that the Issuer has or may enter into in connection with the Notes);

**“Movement Option Cut-off Date”** means the date that is four Relevant City Business Days following the Exercise Cut-off Date;

**“Multiple Holder Obligation”** means an Obligation that (i) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other and (ii) 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 (ii) above;

**“Multiple Exercise Restructuring Credit Event”** means a Restructuring Credit Event in respect of which (i) “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and (ii) the Exercise Amount specified in the first Credit Event Notice delivered by the Issuer in connection with such Restructuring Credit Event is for an amount that is less than (a) if the Notes are not Linear Basket Notes, the Aggregate Nominal Amount of the Notes or (b) if the Notes are Linear Basket Notice, the entire Related Nominal Amount of the relevant Reference Entity;

**“No Auction Announcement Date”** means, with respect to Notes for which Auction Settlement is specified as the Settlement Basis in the applicable Final Terms, a Reference Entity and a Credit Event, the date on which the Calculation Agent determines that ISDA first publicly announces that:

- (a) no Applicable Transaction Auction Settlement Terms and, if applicable, no Parallel Auction Settlement Terms will be published; or
- (b) following the occurrence of a Restructuring, if either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms only, no Applicable Transaction 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 following a prior public announcement by ISDA to the contrary and the Calculation Agent determines that such Resolution is an Applicable Resolution and no Applicable Auction will be held;

**“Not Bearer”** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via the Euroclear System, Clearstream, Luxembourg or any other internationally recognised clearing system;

**“Not Contingent”** means any obligation having as of the Delivery Date and all times thereafter an outstanding principal balance or, in the case of obligations that are not Borrowed Money, a Due and Payable Amount, that pursuant to the terms of such obligation may not be reduced as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). A Convertible Obligation, an Exchangeable Obligation and an Accreting Obligation shall satisfy the Not Contingent Deliverable Obligation Characteristic if such Convertible Obligation, Exchangeable Obligation or Accreting Obligation otherwise meets the requirements of the preceding sentence so long as, in the case of a Convertible

Obligation or an Exchangeable Obligation, the right (A) to convert or exchange such obligation or (B) to require the issuer to purchase or redeem such obligation (if the issuer has exercised or may exercise the right to pay the purchase or redemption price, in whole or in part, in Equity Securities) has not been exercised (or such exercise has been effectively rescinded) on or before the Delivery Date;

**“Not Domestic Currency”** means any obligation that is payable in any currency other than the Domestic Currency;

**“Not Domestic Issuance”** means any obligation other than an obligation that was, at the time the relevant obligation was issued (or reissued, as the case may be) or incurred, intended to be offered for sale primarily in the domestic market of the relevant Reference Entity. Any obligation that is registered or qualified for sale outside the domestic market of the relevant Reference Entity (regardless if whether such obligation is also registered or qualified for sale within the domestic market of the relevant Reference Entity) shall be deemed not to be intended for sale primarily in the domestic market of the Reference Entity;

**“Not Domestic Law”** means any obligation that is not governed by the laws of (a) the relevant Reference Entity, if such Reference Entity is a Sovereign, or (b) the jurisdiction of organisation of the relevant Reference Entity, if such Reference Entity is not a Sovereign;

**“Not Sovereign Lender”** means any obligation that is not primarily owed to a Sovereign or Supranational Organisation, including, without limitation, obligations generally referred to as “Paris Club debt”;

**“Not Subordinated”** means an obligation that is not Subordinated to (A) the most senior Reference Obligation in priority of payment or (B) if no Reference Obligation is specified in the applicable Final Terms, any unsubordinated Borrowed Money obligation of the relevant Reference Entity provided that, if any of the events set forth under sub-paragraph (i) of the definition of Substitute Reference Obligation below has occurred with respect to all of the Reference Obligations or if, with respect to the Reference Obligation, one or more Successors to the Reference Entity have been identified and any one or more such Successors have not assumed the Reference Obligation (each, in each case, a **“Prior Reference Obligation”**) and no Substitute Reference Obligation has been identified for any of the Prior Reference Obligations at the time of the determination of whether an obligation satisfies the “Not Subordinated Obligation Characteristic” or Deliverable Obligation Characteristic, as applicable, “Not Subordinated” shall mean an obligation that would not have been Subordinated to the most senior such Prior Reference Obligation in priority of payment. For purposes of determining whether an obligation satisfies the “Not Subordinated” Obligation Characteristic or Deliverable Obligation Characteristic, the ranking in priority of payment of each Reference Obligation or each Prior Reference Obligation, as applicable, shall be determined as of the date as of which the relevant Reference Obligation or Prior Reference Obligation, as applicable, was issued or incurred and shall not reflect any change to such ranking in priority of payment after such date.

Where the Reference Obligation specified in the applicable Final Terms is a subordinated obligation and such obligation is redeemed in full on or prior to the Trade Date, the ranking in priority of payment of the Reference Obligation for the purposes of this definition and the purposes of the definition of Substitute Reference Obligation shall be that of such Reference Obligation as of the date on which such Reference Obligation was redeemed in full;

**“Notice Delivery Period”** means the period from and including the Trade Date to and including the second Business Day following the date that is fourteen calendar days after the Extension Date;

**“Notice of Deliverable Obligation(s)”** means a notice from the Issuer to Noteholders that contains a detailed description of each Deliverable Obligation comprised in the Deliverable Obligation Entitlement(s) that the Issuer expects to Deliver in respect of the Notes (which will reflect the Deliverable Obligation(s) specified in the most recent Notice of Physical Settlement or NOPS Amendment Notice delivered by the Issuer to the Calculation Agent), including the Outstanding Amount of each such Deliverable Obligation

and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor of each such Deliverable Obligation). The Issuer may, from time to time, notify Noteholders (each such notification a “**NODO Amendment Notice**”), that the Issuer is replacing, in whole or in part, one or more Deliverable Obligations specified in the Notice of Deliverable Obligations or a prior NODO Amendment Notice, as applicable with one or more Replacement Deliverable Obligation(s) (to the extent the relevant Deliverable Obligation has not been Delivered as of the date such NODO Amendment Notice is effective) or the detailed description(s) thereof including the relevant Replaced Deliverable Obligation Outstanding Amount(s). Each such NODO Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any such change resulting from such NODO Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each the Deliverable Obligation contained in the Notice of Deliverable Obligations or any NODO Amendment Notice, as applicable, by notice to the Noteholders prior to the relevant Delivery Date, it being understood that such notice of correction shall not constitute a NODO Amendment Notice. A Notice of Deliverable Obligations or a NODO Amendment Notice shall be subject to the requirements regarding notices contained in Condition 10 of the General Conditions;

“**Notice of Physical Settlement**” means a notice from the Issuer to the Calculation Agent that contains (a) a detailed description of each Deliverable Obligation that the Issuer expects to comprise the Deliverable Obligation Entitlement(s) in respect of the Notes, including the outstanding principal balance or Due and Payable Amount, as applicable, (in each case, the “**Outstanding Amount**”) of each such Deliverable Obligation and, if available and applicable, the CUSIP or ISIN number (or, if such identifying number is not available or applicable, the rate and tenor of each such Deliverable Obligation) and (b), where (i) the relevant Credit Event is a Restructuring, (ii) either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms and (iii) the Scheduled Observation End Date is later than (A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date contains a detailed description of at least one Enabling Obligation, which description will include the CUSIP or ISIN number, if available and applicable (or, if such identifying number is not available, the rate and tenor), of such Enabling Obligation and any other information necessary to establish that such obligation is an Enabling Obligation). The Issuer may, from time to time, notify the Calculation Agent (each such notification a “**NOPS Amendment Notice**”), that the Issuer 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) or the detailed description(s) thereof. A NOPS Amendment Notice shall contain a revised detailed description of each replacement Deliverable Obligation that Issuer expects to Deliver (each, a “**Replacement Deliverable Obligation**”) and shall also specify 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 (with respect to each such Deliverable Obligation, 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 Best 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 such change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each the Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Calculation Agent prior to the relevant Delivery Date, it being understood that such notice of correction shall not constitute a NOPS Amendment Notice;

“**Notice of Physical Settlement Condition to Settlement**” will be deemed to have been satisfied by the delivery by the Issuer of a Notice of Physical Settlement to the Calculation Agent that is effective

subject, where applicable, to Condition 5 of these Credit Linked Conditions, on or prior to two Business Days following the date that is:

- (a) subject to sub-paragraph (b) of this definition, the later of:
  - (i) the thirtieth calendar day (subject to adjustment in accordance with any applicable Business Day Convention) after the Event Determination Date; and
  - (ii) the tenth calendar day after either (I) the date of the relevant DC Credit Event Announcement, if any, or (II) the date on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date, if any, as applicable; or
- (b) if “Physical Settlement” is applicable pursuant to the Fallback Settlement Method and:
  - (i) the relevant Credit Event is not a Restructuring (or, if such Credit Event is a Restructuring, neither “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” nor “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms), the thirtieth calendar day after the Auction Cancellation Date or the No Auction Announcement Date, as applicable; or
  - (ii) the relevant Credit Event is a Restructuring and either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms, either:
    - (I) the thirtieth calendar day after:
      - (A) a No Auction Announcement Date occurring pursuant to sub-paragraph (a) of the definition of No Auction Announcement Date, if any; or
      - (B) a No Auction Announcement Date occurring pursuant to sub-paragraph (c) of the definition of No Auction Announcement Date, if any, in circumstances where no Parallel Auction will be held; or
      - (C) the Auction Cancellation Date, if any, as applicable; or
    - (II) the Relevant City Business Day immediately following the later of the Parallel Auction Final Price Determination Date, if any (or, if more than one should occur, the last Parallel Auction Final Price Determination Date), and the Parallel Auction Cancellation Date, if any (or, if more than one should occur, the last Parallel Auction Cancellation Date), as applicable, in circumstances where either:
      - (A) a No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition of No Auction Announcement Date and the Issuer has not exercised any Movement Option; or
      - (B) a No Auction Announcement Date occurs pursuant to sub-paragraph (c) of the definition of No Auction Announcement Date in circumstances where one or more Parallel Auctions will be held,

provided that in the case of sub-paragraph (a)(ii) and sub-paragraph (b) of this definition, the relevant Credit Event Resolution Request Date occurred on or prior to the date described in paragraph (a)(i) of this definition.

For purposes of determining whether the Notice of Physical Settlement Condition to Settlement has been satisfied, the effective date of delivery of the Notice of Physical Settlement (whether or not subsequently changed) shall be used;



**“Notice of Publicly Available Information”** means an irrevocable notice from the Issuer to the Calculation Agent that cites Publicly Available Information confirming the occurrence of the Credit Event or Potential Repudiation/Moratorium, as applicable, described in the Credit Event Notice or Repudiation/Moratorium Extension 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 (i) and (ii) of the definition of Repudiation/Moratorium. The notice given must contain a copy, or a description in reasonable detail, of the relevant Publicly Available Information. If a Credit Event Notice or Repudiation/Moratorium Extension Notice, as applicable, contains Publicly Available Information, such Credit Event Notice or Repudiation/Moratorium Extension Notice will also be deemed to be a Notice of Publicly Available Information. A copy of any Notice of Publicly Available Information shall be delivered to the Noteholders as soon as reasonably practicable and shall be subject to the requirements regarding notices contained in Condition 10 of the General Conditions;

**“Notice to Exercise Movement Option”** means, if (a) either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified as applicable in the applicable Final Terms and (b) the Fallback Settlement Method would otherwise be applicable pursuant to Condition 4(c)(ii) of these Credit Linked Conditions, a notice from the Issuer to the Calculation Agent that (i) specifies the Parallel Auction Settlement Terms applicable with respect to Notes in accordance with the Movement Option and (ii) is effective on or prior to the Movement Option Cut-off Date;

**“ $N^{\text{th}}$  Reference Entity”** means, in respect of any Series of  $N^{\text{th}}$ -to-Default Credit Linked Notes, the numbered Reference Entity with respect to which an Event Determination Date must have occurred in order for the Notes to be redeemed in accordance with the applicable Settlement Basis. For example, if the applicable Final Terms specify that the Notes are Second-to-Default Credit Linked Notes, then the  $N^{\text{th}}$  Reference Entity shall be the second Reference Entity with respect to which an Event Determination Date has occurred;

**“ $N^{\text{th}}$ -to-Default Credit Linked Notes”** means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of two or more Reference Entities and pursuant to which, upon the occurrence of a Credit Event and satisfaction of the Conditions to Settlement with respect to the  $N^{\text{th}}$  Reference Entity, the Notes will be redeemed in accordance with the relevant Settlement Basis;

**“Obligation”** means, in respect of a Reference Entity, any of the following obligations (a) any obligation of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applicable in the applicable Final Terms, as provider of any Qualifying Guarantee), which is described by the Obligation Category and has the Obligation Characteristics specified in the applicable Final Terms for such Reference Entity (but excluding any Excluded Obligation), in each case, as of the date of the event which constitutes the Credit Event which is either the subject of the Credit Event Notice or the notice to ISDA resulting in the occurrence of the Credit Event Resolution Request Date, as applicable, and/or (b) any Reference Obligation specified respect of such Reference Entity in the applicable Final Terms (unless such Reference Obligation is an Excluded Obligation) and/or (c) any other obligation(s) of the Reference Entity specified as such in the applicable Final Terms;

**“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 a Reference Entity under one or more Obligations;

**“Obligation Category”** means Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan, only one of which shall be specified in the applicable Final Terms;

**“Obligation Characteristics”** 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 the applicable Final Terms; provided that if the applicable Final Terms specifies the Obligation Category as being Reference Obligations Only, then no Obligation Characteristics shall be applicable, provided that if the Obligation Characteristic “Listed” is specified in the applicable Final Terms, the Final Terms shall be construed as though Listed had been specified as an Obligation Characteristic with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category;

**“Obligation Currency”** means, with respect to an Obligation, the currency in which the 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 (however described), other than a failure to make any required payment, in respect of a Reference Entity under one or more Obligations;

**“Observation Period”** means the period from the Observation Start Date to the Extension Date (both dates inclusive);

**“Observation Start Date”** means the date specified in the applicable Final Terms, provided that if no date is so specified, the Observation Start Date shall mean the (i) in connection with a Credit Event, the earlier to occur of the Trade Date and the Credit Event Backstop Date with respect to such Credit Event and (ii) in connection with a Succession Event, the earlier to occur of the Trade Date and the Succession Event Backstop Date with respect to such Succession Event, as applicable;

**“Outstanding Amount”** has the meaning set out in Condition 10(b) of these Credit Linked Conditions;

**“Overnight Rate”** means the overnight rate for deposits in the relevant currency as determined by the Calculation Agent, in good faith having regard to any then existing market practice;

**“Parallel Auction”** means “Auction” as defined in the relevant Parallel Auction Settlement Terms;

**“Parallel Auction Cancellation Date”** means “Auction Cancellation Date” as defined in the relevant Parallel Auction Settlement Terms;

**“Parallel Auction Final Price Determination Date”** means “Auction Final Price Determination Date” as defined in the relevant Parallel Auction Settlement Terms;

**“Parallel Auction Settlement Date”** means “Auction Settlement Date” as defined in the relevant Parallel Auction Settlement Terms;

**“Parallel Auction Settlement Terms”** means, following the occurrence of a Restructuring, if either “Restructuring Maturity Limitation and Fully Transferable Obligation Applicable” or “Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable” is specified in the applicable Final Terms, any Credit Derivatives Auction Settlement Terms published by ISDA with respect to such Restructuring in accordance with the Rules, and for which the deliverable obligation terms are the same as the Deliverable Obligation provisions applicable to the Notes and the Calculation Agent determines that the related Auction would not be an Applicable Auction for the purposes of the Notes;

**“Partial Cash Settlement Amount”** and **“Partial Cash Settlement Date”** shall each have the meaning specified in Condition 3(i)(iii) of these Credit Linked Conditions;

**“Partial Principal Amount”** has the meaning set out in Condition 9(c)(iii) of these Credit Linked Conditions;

**“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 as may be specified as such in the applicable Final Terms or its equivalent in the Obligation Currency or, if a Payment Requirement is not so specified in the applicable Final Terms, U.S.\$1,000,000 or its equivalent in the Obligation Currency, in each case as of the occurrence of the relevant Failure to Pay;

**“Permitted Currency”** means (1) the legal tender of any Group of 7 country (or any country that becomes a member of the Group of 7 if such Group of 7 expands its membership) or (2) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Cooperation and Development and has a local currency long-term debt rating of either “AAA” or higher assigned to it by Standard & Poor’s, a division of The McGraw-Hill Companies, Inc. or any successor to the rating business thereof, “Aaa” or higher assigned to it by Moody’s Investors Service, Inc. or any successor to the rating business thereof or “AAA” or higher assigned to it by Fitch Ratings or any successor to the rating business thereof;

**“Physical Settlement Date”** means, subject to Condition 5 of these Credit Linked Conditions, the date determined by the Issuer that is:

- (i) the number of Business Days specified in the applicable Final Terms after the date of delivery of the Notice of Physical Settlement; or
- (ii) if such number of Business Days is not so specified, (a) thirty Business Days after the date of delivery of the Notice of Physical Settlement or (b) two Business Days following the last day of the longest Physical Settlement Period, if later;

**“Physical Settlement Period”** means, subject to Condition 5 of these Credit Linked Conditions, with respect to a Deliverable Obligation comprising any Relevant Proportion of the Deliverable Obligations, the longest number of Business days for settlement in accordance with then current market practice of such Deliverable Obligations, as determined by the Calculation Agent;

**“Potential Failure to Pay”** means 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, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to such Obligations, in accordance with the terms of such Obligations at the time of such failure;

**“Potential Repudiation/Moratorium”** means the occurrence of an event described in subparagraph (i) of the definition of Repudiation/Moratorium;

**“Publicly Available Information”** means information that reasonably confirms any of the facts relevant to the determination that the Credit Event or Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice has occurred and which (a) has been published in or on not less than two internationally recognised published or electronically displayed news sources, regardless of whether the reader or user thereof pays a fee to obtain such information; provided that, if the Issuer, the Guarantor or any of its Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless the Issuer, the Guarantor or any of its Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent, facility agent, agent bank or paying agent for an Obligation; (b) is information received from or published by (i) the relevant Reference Entity or (ii) a trustee, fiscal agent, administrative agent, clearing agent, facility agent, agent bank or paying agent for an Obligation; (c) is information contained in any petition or filing instituting a proceeding described in (d) of the definition of Bankruptcy against or by a Reference Entity; or (d) is information contained in any order, decree, notice or filing however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative or judicial body, provided that:

- (A) in relation to any information of the type described in (b), (c) and (d) above, each Noteholder may assume that such information has been disclosed to it without violating any law, agreement or understanding regarding the confidentiality of such information and that the Calculation Agent 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 Noteholders; and
- (B) Publicly Available Information need not state (a) in relation to a Downstream Affiliate, the percentage of Voting Shares owned, directly or indirectly by the Reference Entity and (b) that such occurrence (I) has met the Payment Requirement or Default Requirement, (II) is the result of exceeding any applicable Grace Period or (III) has met the subjective criteria specified in certain Credit Events;

**“Qualifying Affiliate Guarantee”** means a Qualifying Guarantee provided by a Reference Entity in respect of an Underlying Obligation of a Downstream Affiliate of that Reference Entity;

**“Qualifying Guarantee”** means an arrangement evidenced by a written instrument pursuant to which a Reference Entity irrevocably agrees (by guarantee of payment or equivalent legal arrangement) to pay all amounts due under an obligation (the **“Underlying Obligation”**) for which another party is the obligor (the **“Underlying Obligor”**). Qualifying Guarantees shall exclude any arrangement (i) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement or (ii) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced or otherwise altered or assigned (other than by operation of law) as a result of the occurrence or non-occurrence of an event or circumstance (other than payment). The benefit of a Qualifying Guarantee must be capable of being Delivered together with the Delivery of the Underlying Obligation;

**“Qualifying Participation Seller”** means any participation seller that meets the requirements specified in the applicable Final Terms. If no such requirements are specified, there shall be no Qualifying Participation Seller;

**“Quotation”** means each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the following manner:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Valuation Date from five or more Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Business Day within three Business Days of a Valuation Date, then on the next following Business Day (and, if necessary, on each Business Day thereafter until the tenth Business Day following the relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation.
- (b) If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Business Day on or prior to the tenth Business Day following the applicable Valuation Date the Quotations shall be deemed to be any Full Quotation obtained from a Dealer at the Valuation Time on such tenth Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Dealers at the Valuation Time on such tenth Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.
- (c)
  - (i) If “Include Accrued Interest” is specified in the applicable Final Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest;
  - (ii) if “Exclude Accrued Interest” is specified in the applicable Final Terms in respect of

Quotations, such Quotations shall not include accrued but unpaid interest; and

- (iii) if neither “Include Accrued Interest” nor “Exclude Accrued Interest” is specified in the applicable Final Terms in respect of Quotations, the Calculation Agent shall determine based on then current market practice in the market of the Reference Obligation, whether such Quotations shall include or exclude accrued but unpaid interest. All Quotations shall be obtained in accordance with this specification or determination
- (d) If any Quotation obtained with respect to an Accreting Obligation is expressed as a percentage of the amount payable in respect of such obligation at maturity, such Quotation will instead be expressed as a percentage of the outstanding principal balance for the purposes of determining the Final Price.

“**Quotation Amount**” means the amount specified as such in the applicable Final Terms (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) provided that if no such sum is specified, the Quotation Amount shall be (i) an amount equal to the Aggregate Nominal Amount of the Notes (or in the case of a Linear Basket Notes, the Related Nominal Amount of the relevant Reference Entity), or (ii) in the case of a Restructuring (if applicable), an amount equal to the relevant Exercise Amount;

“**Quotation Method**” means that only bid quotations shall be requested from Dealers in obtaining Quotations;

“**Recovery Amount**” means, save as otherwise specified in the applicable Final Terms, an amount determined by the Calculation Agent in its sole discretion (acting in a commercially reasonable manner) equal to the proceeds, if any, arising from the sale or disposal of such notional amount of the Valuation Obligation that the Calculation Agent determines could have been acquired by a holder of the Valuation Obligation on or around the Trade Date using the Relevant Currency equivalent (at such time) of (i) the Aggregate Nominal Amount of the Notes outstanding as at the Event Determination Date, or (ii) in the case of a Restructuring, an amount equal to the relevant Exercise Amount, or (iii) in the case of a Linear Basket Note and a Credit Event (other than a Multiple Exercise Restructuring Credit Event), an amount equal to the relevant Related Nominal Amount, subject to deduction of an amount equal to the amount of any taxes, fees, or costs that would or may be incurred by (or on behalf of ) the Issuer in connection with such sale or disposal. For the avoidance of doubt, in the event that there is more than one Valuation Obligation, the Issuer shall determine, in its sole and absolute discretion, the selection of Valuation Obligations that will be used to determine the proceeds of such notional sale or disposal;

“**Reference Credit Default Swap**” means a credit default swap in the Reference Credit Default Swap Notional Amount entered into on the Trade Date and terminating on the Reference Credit Default Swap Scheduled Termination Date, for the sale of protection on the Reference Entity, priced at the Reference Credit Default Swap Spread. For the avoidance of doubt, the Issuer may or may not be a party to such swap;

“**Reference Credit Default Swap Notional Amount**” means the amount specified as such in the applicable Final Terms, or if no such amount is specified, an amount equal to the Aggregate Nominal Amount of the Notes;

“**Reference Credit Default Swap Scheduled Termination Date**” means the date specified as such in the applicable Final Terms, or if no such date is specified, the Scheduled Observation End Date;

“**Reference Credit Default Swap Spread**” has the meaning set out in the applicable Final Terms;

“**Reference Entity**” or “**Reference Entities**” means the entity or entities specified as such in the applicable Final Terms, and any Successor either (a) as determined by the Calculation Agent on or following the Trade Date or (b) identified by the Calculation Agent by reference to a public announcement by ISDA on or following the Trade Date of that the relevant Credit Derivatives Determinations Committee has Resolved, in respect of a Succession Event Resolution Request Date, a Successor in accordance with

the Rules;

**“Reference Interest Rate Swap”** means an interest rate swap in the Reference Interest Rate Swap Notional Amount entered into on the Trade Date and terminating on the Reference Interest Rate Swap Termination Date, pursuant to which the Issuer would pay the counterparty thereunder the Reference Interest Rate Swap Benchmark plus the Reference Interest Rate Swap Margin on each Interest Payment Date, and would receive from the counterparty thereunder the aggregate interest payable on the Notes (as determined by the Calculation Agent) on each Interest Payment Date. For the avoidance of doubt, the Issuer may or may not be a party to such a swap;

**“Reference Interest Rate Swap Benchmark”** has the meaning set out in the applicable Final Terms;

**“Reference Interest Rate Swap Margin”** has the meaning set out in the applicable Final Terms;

**“Reference Interest Rate Swap Notional Amount”** means the amount specified as such in the applicable Final Terms, or if no such amount is specified, an amount equal to the Aggregate Nominal Amount of the Notes;

**“Reference Interest Rate Swap Termination Date”** means the date specified as such in the applicable Final Terms, or if no such date is specified, the Scheduled Observation End Date;

**“Reference Obligation”** means (a) each obligation (if any) specified as such or of a type described in the applicable Final Terms and (b) any Substitute Reference Obligation;

**“Reference Obligations Only”** means any obligation that is a Reference Obligation and no Obligation Characteristics shall be applicable to Reference Obligations Only;

**“Regulatory Change Event”** means a change in certain regulatory requirements of the National Bank of Belgium, the Luxembourg CSSF, the Belgian Financial Services and Markets Authority or any other relevant regulatory body in relation to the Notes and/or any associated hedging transaction(s) entered into by the Issuer and/or the Guarantor in connection therewith, resulting in any increased costs or reduction in return to the Issuer under the Notes and/or any such associated hedging transaction(s), or on the Issuer’s and/or Guarantor’s capital resulting from compliance with any international accord, official directive or any law or regulation (including, without limitation, those relating to reserve asset, special deposit or capital adequacy requirements);

**“Related Nominal Amount”** means, in respect of a Reference Entity, the amount specified as such in the applicable Final terms;

**“Relevant City Business Day”** has the meaning given to that term in the Rules;

**“Relevant Currency”** has the meaning set out in the applicable Final Terms, provided that if no such currency is specified, the Relevant Currency shall be the Specified Currency (as defined in these Credit Linked Conditions);

**“Relevant Jurisdiction”** has the meaning set out in the applicable Final Terms;

**“Relevant Obligations”** means the Obligations constituting Bonds and Loans of the Reference Entity outstanding immediately prior to the effective date of the Succession Event, excluding any debt obligations outstanding between the Reference Entity and any of its Affiliates, as determined by the Calculation Agent. The Calculation Agent will determine the entity which succeeds to such Relevant Obligations on the basis of the Best Available Information. If the date on which the Best Available Information becomes available or is filed precedes the legally effective date of the relevant Succession Event, any assumptions as to the allocation of obligations between or among entities contained in the Best Available Information will be deemed to have been fulfilled as of the legally effective date of the Succession Event, whether or not this is in fact the case;

**“Relevant Proportion”** means, in respect of a Note, an amount (expressed as a percentage) equal to the principal amount outstanding of such Note as at the relevant Event Determination Date divided by the Aggregate Nominal Amount of all Notes outstanding as at the relevant Event Determination Date;

**“Remaining Amount”** has the meaning set out in Condition 9(c)(iv) of these Credit Linked Conditions;

**“Repudiation/Moratorium”** means the occurrence of both the following events:

- (i) an authorised officer of a Reference Entity or a Governmental Authority (x) 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 (y) 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
- (ii) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date;

**“Repudiation/Moratorium Evaluation Date”** means, if a Potential Repudiation/Moratorium occurs on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) (i) if the Obligations to which such Potential Repudiation/ Moratorium relates include Bonds, the date that is the later of (A) the date that is 60 days after the date of such Potential Repudiation/Moratorium and (B) the first payment date under any such Bond after the date of such Potential Repudiation/Moratorium (or, if later, if the expiration date of any applicable Grace Period in respect of such payment date) and (ii) 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, provided that, in either case, the Repudiation/Moratorium Evaluation Date shall occur no later than the Scheduled Observation End Date unless the Repudiation/ Moratorium Extension Condition is satisfied);

The **“Repudiation/Moratorium Extension Condition”** is satisfied if:

- (i) the Calculation Agent determines that ISDA has publicly announced pursuant to a valid request that was made, in accordance with the Rules, and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Observation End Date that the relevant Credit Derivatives Determinations Committee has Resolved that an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity and that such event occurred on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) and such Resolution constitutes an Applicable Resolution; or
- (ii) otherwise by the delivery by the Calculation Agent to the Issuer of a Repudiation/ Moratorium Extension Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement in the applicable Final Terms, a Notice of Publicly Available Information that are each effective on or prior to the date that is fourteen calendar days after the Scheduled Observation End Date.

In all cases, the Calculation Agent may determine that the Repudiation/Moratorium Extension Condition has not been satisfied, or is not capable of being satisfied, if, or to the extent that, ISDA publicly announces, pursuant to a valid request that was delivered in accordance with the Rules and effectively received on or prior to the date that is fourteen calendar days after the Scheduled Observation End Date, that the relevant Credit Derivatives Determinations Committee has Resolved that either (A) an event does

not constitute a Potential Repudiation/Moratorium with respect to an Obligation of the relevant Reference Entity or (ii) an event that constitutes a Potential Repudiation/Moratorium has occurred with respect to an Obligation of the relevant Reference Entity but that such event occurred after the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), in each case provided that the Calculation Agent determines such Resolution is an Applicable Resolution;

**“Repudiation/Moratorium Extension Notice”** means an irrevocable notice (which may be in writing (including by facsimile and/or email) and/or by telephone) from the Issuer to the Calculation Agent in accordance with these Credit Linked Conditions that describes a Potential Repudiation/Moratorium that occurred on or prior to the Scheduled Observation End Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)). A Repudiation/ Moratorium Extension Notice must contain a description in reasonable detail of the facts relevant to the determination that a Potential Repudiation/Moratorium has occurred and indicate the date of the occurrence. The Potential Repudiation/Moratorium that is the subject of the Repudiation/Moratorium Extension Notice need not be continuing on the date the Repudiation/Moratorium Extension Notice is delivered. A copy of each Repudiation/Moratorium Extension Notice shall be given to Noteholders in accordance with Condition 10 of the General Conditions;

**“Resolve”, “Resolved”, “Resolves” and “Resolving”** means, with respect to a Credit Derivatives Determinations Committee, the making of a specific determination in accordance with the relevant Rules (and each such determination, a **“DC Resolution”**);

**“Restructured Bond or Loan”** means an Obligation that is a Bond or Loan and in respect of which the relevant Restructuring has occurred;

**“Restructuring”** means:

- (a) 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, is agreed between the Reference Entity or a Governmental Authority and the holder or holders of such Obligation or is announced (or otherwise decreed) by the Reference Entity or a Governmental Authority in a form that is binding upon a Reference Entity, and such event is not provided for under the terms of such Obligation in effect as of the later of (I) the relevant Credit Event Backstop Date and (II) 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;
  - (ii) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
  - (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;
  - (v) any change in the currency or composition of any payment of interest or principal; or
  - (vi) any new cash advance is required to be made to the Reference Entity and/or any additional obligation of the Reference Entity is required to be bought by the holders of the Obligation by the Governmental Authority.
- (b) Notwithstanding the provisions of sub-paragraph (a) of this definition of Restructuring, none of the following shall constitute a Restructuring:



- (i) the payment in euros of interest or principal 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 occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(i) to (v) of this definition of Restructuring, due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (iii) the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a) (i) to (v) of this definition of Restructuring, in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.
- (c) For the purposes of sub-paragraphs (a) and (b) of this definition of Restructuring, the term Obligation shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in sub-paragraph (a) shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in sub-paragraph (b) shall continue to refer to the Reference Entity.
- (d) Unless Multiple Holder Obligation is specified as not applicable in the applicable Final Terms, then, notwithstanding anything to the contrary in sub-paragraph (a), (b) or (c) above, the occurrence of, agreement to or announcement of any of the events described in sub-paragraphs (a)(i) to (v) shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation;

**"Restructuring Date"** means the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring;

**"Restructuring Maturity Limitation Date"** means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Scheduled Observation End Date, provided that, in circumstances where the Scheduled Observation End Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. Notwithstanding the foregoing, if the final maturity date of the Restructured Bond or Loan with the latest final maturity date of any Restructured Bond or Loan occurs prior to the 2.5-year Limitation Date (such Restructured Bond or Loan, a **"Latest Maturity Restructured Bond or Loan"**) and the Scheduled Observation 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.

In the event that the Scheduled Observation End Date is later than (i)(A) the final maturity date of the Latest Maturity Restructured Bond or Loan, if any, or (B) the 2.5-year Limitation Date, and, in either case, no Enabling Obligation exists or (ii) the 20-year Limitation Date, the Restructuring Maturity Limitation Date will be the Scheduled Observation End Date;

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

**"Scheduled Observation End Date"** means, the date specified as such in the applicable Final Terms, or if no date is so specified, the Maturity Date. The Scheduled Observation End Date shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms;

**“Settlement Basis”** means Cash Settlement, Physical Settlement and/or Auction Settlement, as specified in the applicable Final Terms or Credit Event Notice.

**“Settlement Date”** means the Auction Settlement Date, the Cash Settlement Date or the Physical Settlement Date, as applicable;

**“Single Name Credit Linked Notes”** means any Series of Notes in respect of which the Issuer purchases credit protection from Noteholders in respect of one Reference Entity alone;

**“Sovereign”** means any state, political subdivision or government, or any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) thereof;

**“Sovereign Agency”** means any agency, instrumentality, ministry, department or other authority (including, without limiting the foregoing, the central bank) of a Sovereign;

**“Sovereign Reference Entity”** means a Reference Entity determined to be a Sovereign Reference Entity by the Calculation Agent;

**“Sovereign Risk Event”** means (a) the existence, enactment, imposition, enforcement or modification of any governmental or regulatory restriction or 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 tax authority) as a result of which (x) it has become illegal for the Issuer or its counterparty under a hedge transaction to hold, acquire or dispose of the Reference Obligation or any other hedge in connection with the Notes, or (y) the Issuer or its counterparty under a hedge transaction will incur a materially increased cost in holding, acquiring or disposing of the Reference Obligation or any other hedge in connection with the Notes; or (b) any expropriation or confiscation of, or any other expropriatory action taken by a Government Authority in respect of, the Reference Obligation or any other hedge in connection with the Notes;

**“Specified Currency”** means, for the purposes of the definitions of “Obligation Characteristic” and “Deliverable Obligation Characteristic” only, the currency or currencies specified as such in the applicable Final Terms (or, if Specified Currency is selected as an Obligation Characteristic or Deliverable Obligation Characteristic in the applicable Final Terms and no currency is so specified, any of the lawful currencies 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 currencies shall be referred to collectively, if applicable, in the applicable Final Terms as the **“Standard Specified Currencies”**);

**“Spread Adjustment Amount”** means the amount as determined by the Calculation Agent as being equal to the mark-to-market of any hedging transaction entered into by (or on behalf of) the Issuer in connection with the Notes (including any Reference Credit Default Swap, Reference Interest Rate Swap, Reference Obligation(s), currency swap, FX forward and/or option) as at the date of the notice of redemption of the Notes given pursuant to Condition 1(b) of these Credit Linked Conditions;

**“Spread Event”** means, if specified in the applicable Final Terms, as determined by the Calculation Agent, the occurrence of either;

- (a) the prevailing market price of the Reference Credit Default Swap being equal to or in excess of the Spread Threshold; or
- (b) the Hedge Unwind Costs being equal to or in excess of the Spread Threshold;

**“Spread Event Amount”** means, if a Spread Event has occurred, an amount determined by the Calculation Agent, calculated as:

- (a) the outstanding principal amount of the Notes, minus
- (b) the Spread Adjustment Amount;

**“Spread Threshold”** has the meaning set out in the applicable Final Terms;

“**Subordination**” means, with respect to an obligation (the “**Subordinated Obligation**”) and another obligation of the Reference Entity to which such obligation is being compared (the “**Senior Obligation**”) a contractual, trust or similar arrangement providing that (A) upon the liquidation, dissolution, reorganisation or winding up of the Reference Entity claims of the holders of the Senior Obligation will be satisfied prior to the claims of the holders of the Subordinated Obligation or (B) the holders of the Subordinated Obligation will not be entitled to receive or retain 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 Senior 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, the existence of preferred creditors arising by operation of law or of collateral, credit support or other enhancement 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;

“**Substitute Reference Obligation**” means one or more obligations of the Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applying in the applicable Final Terms, as provider of any Qualifying Guarantee) that will replace one or more Reference Obligations, identified by the Calculation Agent in accordance with the following procedures:

- (i) In the event that (A) a Reference Obligation is redeemed in whole or (B) in the opinion of the Calculation Agent (I) the aggregate amount due under any Reference Obligation has been materially reduced by redemption or otherwise (other than due to any scheduled redemption, amortisation or prepayments), (II) any Reference Obligation is an underlying Obligation with a Qualifying Guarantee of the Reference Entity and, other than due to the existence or occurrence of a Credit Event, the Qualifying Guarantee is no longer a valid and binding obligation of such Reference Entity enforceable in accordance with its terms, or (III) for any other reason, other than due to the existence or occurrence of a Credit Event, any Reference Obligation is no longer an obligation of a Reference Entity, the Calculation Agent shall identify one or more Obligations to replace such Reference Obligation.
- (ii) Any Substitute Reference Obligation shall be an Obligation that (A) ranks *pari passu* in priority of payment with such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date as of which such Reference Obligation was issued or incurred, and not reflecting any change in ranking in priority of payment after such date), (B) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent, of the delivery and payment obligations of the Issuer and (C) is an obligation of the relevant Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if “All Guarantees” is specified as applying in the applicable Final Terms, as provider of a Qualifying Guarantee). The Substitute Reference Obligation or Substitute Reference Obligations identified by the Calculation Agent shall, without further action, replace such Reference Obligation or Reference Obligations. The Calculation Agent shall notify the Noteholders of any selection of a Substitute Reference Obligation or Substitute Reference Obligations. Provided that for the purposes of this definition, where the Reference Obligation specified in the applicable Final Terms is a subordinated obligation and such obligation is redeemed in full on or prior to the Trade Date, the ranking in priority of payment of the Reference Obligation for the purposes of this definition shall be that of such Reference Obligation as of the date on which such Reference Obligation was redeemed in full.
- (iii) If there is more than one Reference Obligation, any of the events set forth under sub-paragraph (i) above has occurred with respect to one or more but not all of the Reference Obligations, and the Calculation Agent determines in accordance with sub-paragraph (i) above that no Substitute Reference Obligation is available for one or more of such Reference Obligations, each Reference Obligation for which no Substitute Reference Obligation is available shall cease to be a Reference Obligation.

- (iv) If there is more than one Reference Obligation, any of the events set forth under sub-paragraph (i) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines in accordance with sub-paragraph (i) above that at least one Substitute Reference Obligation is available for any such Reference Obligation, then each such Reference Obligation shall be replaced by a Substitute Reference Obligation and each Reference Obligation for which no Substitute Reference Obligation is available will cease to be a Reference Obligation.
- (v) If (A) there is more than one Reference Obligation, any of the events set forth in sub-paragraph (i) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines in accordance with sub-paragraph (i) above that no Substitute Reference Obligation is available for any of the Reference Obligations or (B) there is only one Reference Obligation, any of the events set forth in sub-paragraph (i) above has occurred with respect to the Reference Obligation and the Calculation Agent determines in accordance with sub-paragraph (i) above that no Substitute Reference Obligation is available for that Reference Obligation, then the Calculation Agent shall continue to attempt to identify a Substitute Reference Obligation until the Extension Date. If (A) either (I) Cash Settlement is specified as the Settlement Basis in the applicable Final Terms (or is applicable pursuant to the Fallback Settlement Basis in accordance with Condition 4 of these Credit Linked Conditions) and the Cash Settlement Amount is determined by reference to a Reference Obligation or (II) either Auction Settlement or Physical Settlement is specified as the Settlement Basis in the applicable Final Terms (or, in the case of Physical Settlement, is applicable pursuant to the Fallback Settlement Basis in accordance with Condition 4 of these Credit Linked Conditions) and, in each case, the Reference Obligation is the only Deliverable Obligation and (B) on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), a Substitute Reference Obligation has not been identified, as of the end of the day on the Extension Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)) the Issuer shall redeem the Notes on the second Business Day following the Extension Date in accordance with Condition 5(a) of the General Conditions (as modified by these Credit Linked Conditions).
- (vi) For the purposes of identification of a Reference Obligation, any change in the Reference Obligation's CUSIP or ISIN number or other similar identifier will not, in and of itself, convert such Reference Obligations into a different Obligation;

“**succeed**” means, with respect to a Reference Entity and its Relevant Obligations (or, as applicable, obligations), that a party other than such Reference Entity (i) assumes or becomes liable for such Relevant Obligations (or, as applicable, obligations) whether by operation of law or pursuant to any agreement or (ii) issues Bonds that are exchanged for Relevant Obligations (or, as applicable, obligations), and in either case such Reference Entity is no longer an obligor (primarily or secondarily) or guarantor with respect to such Relevant Obligations (or, as applicable, obligations). The determinations required pursuant to the definition of Successor shall be made, in the case of an exchange offer, on the basis of the outstanding principal balance of Relevant Obligations tendered and accepted in the exchange and not on the basis of the outstanding principal balance of Bonds for which Relevant Obligations have been exchanged;

“**Succession Event**” means (a) with respect to a Reference Entity that is not a Sovereign, 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 or (b) with respect to a Reference Entity that is a Sovereign, an event such as an annexation, unification, secession, partition, dissolution, consolidation, reconstitution or other event that results in any direct or indirect successor(s) to such Reference Entity, as determined by the Calculation Agent. Notwithstanding the foregoing, “Succession Event” shall not include an event (i) in which the

holders of obligations of the Reference Entity exchange such obligations for the obligations of another entity, unless such exchange occurs in connection with a merger, consolidation, amalgamation, transfer of assets or liabilities, demerger, spin-off or other similar event or (ii) with respect to which the legally effective date (or, in the case of a Reference Entity that is a Sovereign, the date of occurrence) has occurred prior to the applicable Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time));

**“Succession Event Backstop Date”** means:

- (a) for purposes of any event that constitutes a Succession Event for the purposes of certain credit derivative transactions, as determined by DC Resolution, the date that is 90 calendar days prior to the relevant Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)), provided that the Calculation Agent determines that such DC Resolution constitutes an Applicable Resolution; or
- (b) otherwise, the date that is 90 calendar days prior to the earlier of (A) the date on which the Succession Event Notice is effective and (B) in circumstances where (I) the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of Succession Event Resolution Request Date are satisfied in accordance with the Rules, (II) the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters and (III) the Succession Event Notice is delivered by the Calculation Agent to the Issuer not more than fourteen calendar days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, the Succession Event Resolution Request Date, provided that the Calculation Agent determines that such Resolutions constitute Applicable Resolutions.

The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms;

**“Succession Event Resolution Request Date”** means, with respect to a notice to ISDA, delivered in accordance with the Rules, requesting that a Credit Derivatives Determinations Committee be convened to Resolve:

- (a) whether an event that constitutes a Succession Event for purposes of certain credit derivatives transactions has occurred with respect to the relevant Reference Entity; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred,
  - (i) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event or
  - (ii) with respect to a Reference Entity that is a Sovereign, the date of the occurrence of such event,

the date, as publicly announced by ISDA, that the relevant Credit Derivatives Determinations Committee Resolves to be the date on which such notice is effective, provided that the Calculation Agent determines that such request and the Resolution constitute an Applicable Request and an Applicable Resolution;

**“Succession 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 Succession Event that occurred on or after the relevant Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the relevant Reference Entity is a Japan Corporate or Japan Sovereign (as such terms are defined in the 2005 Matrix Supplement), Tokyo time)).

A Succession Event Notice must contain a description in reasonable detail of the facts relevant to the determination, pursuant to the definition of Successor, of (a) whether a Succession Event has occurred and (b) if relevant, the identity of any Successor(s);

“**Successor**” means:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined by the Calculation Agent as set forth below:
  - (i) if one entity directly or indirectly succeeds to seventy-five per cent. or more of the Relevant Obligations of the Reference Entity by way of a Succession Event, that entity will be the sole Successor for (a) the entire Aggregate Nominal Amount of the Notes outstanding as at the date of the Succession Event or (b) if the Notes are Linear Basket Notes, the entire Related Nominal Amount of that original Reference Entity outstanding as at the date of the Succession Event;
  - (ii) if only one entity directly or indirectly succeeds to more than twenty-five per cent. (but less than seventy-five per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 for the (a) the entire Aggregate Nominal Amount of the Notes outstanding as at the date of the Succession Event or (b) if the Notes are Linear Basket Notes, the entire Related Nominal Amount of the original Reference Entity outstanding as at the date of the Succession Event;
  - (iii) if more than one entity each directly or indirectly succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 in respect of a portion of the Aggregate Nominal Amount of the Notes outstanding as at the date of the Succession Event or, if the Notes are Linear Basket Notes, in respect of a portion of the Related Nominal Amount of the original Reference Entity outstanding as at the date of the Succession Event subject to and in accordance with Condition 9 of these Credit Linked Conditions;
  - (iv) if one or more entities each directly or indirectly succeeds to more than twenty-five per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 in respect of a portion of the Aggregate Nominal Amount of the Notes outstanding as at the date of the Succession Event or, if the Notes are Linear Basket Notes, in respect of a portion of the Related Nominal Amount of the original Reference Entity outstanding as at the date of the Succession Event subject to and in accordance with Condition 9 of these Credit Linked Conditions;
  - (v) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 for the purposes of the Notes will not be changed in any way as a result of the Succession Event; and
  - (vi) if one or more entities directly or indirectly succeed to a portion of the Relevant Obligations of the Reference Entity by way of a Succession Event, 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 (or, if two or more entities succeed to an equal percentage of Relevant Obligations, the entity from among those entities which succeeds to the greatest percentage of obligations of the Reference Entity) will be the sole Successor; and

- (b) with respect to a Sovereign Reference Entity, each entity as determined by the Calculation Agent which becomes a direct or indirect successor to such Reference Entity by way of a Succession Event, irrespective of whether any such successor assumes any of the obligations of such Reference Entity;

“**Suspension Event**” means the Calculation Agent determines that a public announcement has been made by ISDA that the conditions to convening a Credit Derivatives Determinations Committee to Resolve the matters described in sub-paragraphs (a) and (b) of the definition of Credit Event Resolution Request Date are satisfied in accordance with the Rules and such announcement relates to a Reference Entity and Credit Event under the Notes;

“**Suspension Event Cessation Date**” means, with respect to a Suspension Event, the date on which the Calculation Agent determines that ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved (a) the matters described in the definition of Suspension Event or (b) not to determine such matters;

“**Supranational Organisation**” means any entity or organisation established by treaty or other arrangement between two or more Sovereigns or the Sovereign Agencies of two or more Sovereigns and includes, without limiting the foregoing, the International Monetary Fund, European Central Bank, International Bank for Reconstruction and Development and European Bank for Reconstruction and Development;

“**Tax Event**” means the existence, enactment, imposition or application of any rule, regulation or law, or modification or change in the interpretation thereof, by any Governmental Authority, including, but not limited to the tax authority or any other tax collection agency of the Relevant Jurisdiction, or the occurrence of any other act or event at any time relating to withholding or deduction for or on account of tax in relation to the Reference Obligation, which imposes any tax, levy, impost, duty, charge, assessment or fee of any nature with respect to (i) the Reference Obligation; (ii) any interest or principal income, or redemption amount, from the Reference Obligation; (iii) any capital gains resulting from the maturity proceeds or early termination proceeds of the Reference Obligation(s); (iv) any spot, forward or option transaction relating to the Permitted Currency or Relevant Currency; (v) the remittance of the Permitted Currency or Relevant Currency outside of the Relevant Jurisdiction; and/or (vi) the receipt, payment, transfer or holding of any amounts under any associated hedging transactions relating to the Notes;

“**Termination Event**” means the occurrence of any one or more of the events defined as such in the applicable Final Terms, which Termination Events may, as indicated in the applicable Final Terms, include any of the following: Credit Events, FX Convertibility Event, FX Transferability Event, Tax Event, Spread Event, Regulatory Change Event, Sovereign Risk Event and/or any other event specified as such in the applicable Final Terms;

“**Termination Event Notice**” has the meaning set out in Condition 1 (b) of these Credit Linked Conditions; ;

“**Trade Date**” means the date specified as such in the applicable Final Terms;

“**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 Securities Act (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); or

- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds;

**“Undeliverable Loan Obligations”, “Undeliverable Obligations” and “Undeliverable Participations”** shall each have the meaning specified in Condition 3(i)(ii) of these Credit Linked Conditions;

**“Underlying Obligation”** has the meaning set out in “Qualifying Guarantee”;

**“Underlying Obligor”** has the meaning set out in “Qualifying Guarantee”;

**“Valuation Date”** means:

- (a) if “Single Valuation Date” is specified in the applicable Final Terms, subject to Condition 5 of these Credit Linked Conditions, the date that is the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Basis in accordance with Condition 4, of these Credit Linked Conditions, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the relevant Auction Cancellation Date, if any, or the relevant No Auction Announcement Date, if any, as applicable); and
- (b) if “Multiple Valuation Dates” is specified in the applicable Final Terms, subject to Condition 5 of these Credit Linked Conditions, each of the following dates:
- (i) the date that is the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the satisfaction of all Conditions to Settlement (or, if “Cash Settlement” is applicable pursuant to the Fallback Settlement Basis in accordance with Condition 4 of these Credit Linked Conditions, the date that is the number of Business Days specified in the applicable Final Terms (or, if the number of Business Days is not so specified, five Business Days) following the relevant Auction Cancellation Date, if any, or No Auction Announcement Date, if any, as applicable); and
- (ii) each successive date that is the number of Business Days specified in the Final Terms (or, if the number of Business Days is not so specified, five Business Days) after the date on which the Calculation Agent obtains a Market Value with respect to the immediately preceding Valuation Date.

When “Multiple Valuation Dates” is specified in the applicable Final Terms, the total number of Valuation Dates shall be equal to the number of Valuation Dates specified in the Final Terms (or, if the number of Valuation Dates is not so specified, five Valuation Dates).

If neither “Single Valuation Date” nor “Multiple Valuation Dates” is specified in the applicable Final Terms, Single Valuation Date shall apply.

**“Valuation Method”** means Market, Highest, Average Market, Average Highest, Blended Market, Blended Highest, Average Blended Market or Average Blended Highest, as specified in the applicable Final Terms or, if not specified, as otherwise determined in accordance with Condition 2(c) of these Credit Linked Conditions;

**“Valuation Obligation”** means one or more obligations, as selected by the the Calculation Agent, provided such obligation(s) are either a Reference Obligation and/or would constitute a Deliverable Obligation as at the Valuation Date;

**“Valuation Time”** means such time as is specified in the applicable Final Terms or, if no time is specified, 11:00 a.m. in the principal trading market for the relevant Valuation Obligation;

**“Voting Shares”** shall mean those shares or other interests that have the power to elect the board of



directors or similar governing body of an entity; and

**“Weighted Average Quotation”** means, in accordance with the Quotation Method, the weighted average of firm quotations obtained from Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Valuation Obligation(s) with an aggregate outstanding principal balance of as large a size as available but less than the Quotation Amount (but of a size equal to the Minimum Quotation Amount or, if quotations of a size equal to the Minimum Quotation Amount are not available, quotations as near in size as practicable to the Minimum Quotation Amount) that in the aggregate are approximately equal to the Quotation Amount.

## PART 2 - FORM OF FINAL TERMS FOR CREDIT LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Credit Linked Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance SA**

**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units]<sup>u</sup> [Title of Notes]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Credit Linked Conditions set forth in Chapter 5, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available

on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only include if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy: The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Bonds" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].*

*[Only include if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy: The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Certificates" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Credit Linked Conditions set forth in Chapter 5, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of Conditions which are extracted from the Base Prospectus dated [original date] and incorporated by reference in the Base Prospectus [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth herein) and [current date] (other than with respect to the Conditions set forth herein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))].

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

1. Issuer ING Belgium International Finance S.A.
2. Guarantor ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●][Units]<sup>u</sup>  
 (i) Tranche: [●][Units]<sup>u</sup>  
 (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note)]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.)]*  
*(If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the*

- offer periods and the accrued interests payable by the investors.)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination, or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: [Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon]  
 [Dual Currency Interest]  
 [Variable-linked Interest]  
 [specify other]  
 (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par]  
 [Dual Currency Redemption]  
 [Partly Paid]  
 [Instalment]  
 [specify other]  
 (further particulars specified below)
14. Change of Interest Basis or Redemption/ [Not Applicable]

- Payment Basis: [Applicable][Specify details of any provision for change of Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put] [Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [, subject to adjustment in accordance with [specify Business Day Convention] (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
*[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*  
*(NB: This will need to be amended in the case of regular*

- interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [•]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/ Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/ Preceding Business Day Convention (Unadjusted)/ *[specify other]*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [•]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)*
- Interest Determination Date(s): [•]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each*

	<i>Interest Period if EURIBOR or euro LIBOR)</i>
- Relevant Screen Page:	[●] <i>(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)</i>
(vii) ISDA Determination:	[Applicable/Not Applicable]
- Floating Rate Option:	[●]
- Designated Maturity:	[●]
- Reset Date:	[●]
(viii) Margin(s):	[+/-] [●] per cent. per annum
(ix) Minimum Rate of Interest:	[●] per cent. per annum
(x) Maximum Rate of Interest:	[●] per cent. per annum
(xi) Day Count Fraction:	[Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis 30E/360 (ISDA) [Other - specify] <i>(see Condition 3 of the General Conditions for alternatives)]</i>
(xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes or Variable-linked Interest Notes, if different from those set out in the General Conditions:	[None/Aggregate Nominal Amount Determination is applicable/Give details] <i>(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))</i>
20. <b>Zero Coupon Note Provisions:</b>	[Applicable/Not Applicable] <i>(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)</i>
(i) Early Redemption Amount:	[Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]] [Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions] <i>(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)</i> <i>(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any</i>



*financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Reference Price: [•]
  - (iii) Any other formula/basis of determining amount payable: [•]
  - (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/ specify other]  
(Consider applicable Day Count Fraction if not U.S. dollar denominated)
21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [•]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [•]
- [If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

#### PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable] (If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [•] per [Note of [•] Specified Denomination]  
[Calculation Amount] [Unit]<sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [•]
    - (b) Maximum Redemption Amount of each Note: [•]
  - (iv) Notice period (if other than as set out in the General (N.B. If setting notice periods which are different to

- Conditions): *those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]
- (For Italian Certificates only:  
Renouncement Notice Date: [Not Applicable / specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
[Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)  
(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example,

*clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

- (iii) Other (Condition 5(k) of the General Conditions):

[Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
New Global Note: [Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*  
[Permanent Global Note not exchangeable for Definitive Notes]  
[For Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A. specify “dematerialised”-registration upon issue” in the books of Monte Titoli S.p.A.”]
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:  
(i) Instalment Amount(s): [Not Applicable/give details]  
(ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
*[specify Calculation Agent if other than Guarantor]  
(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]: [Not Applicable/give names, addresses and underwriting commitments]

- underwriting commitments]\*: *(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.*  
*(Where not all of the issue is underwritten, indicate the portion not covered))*
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: *[specify name [and address]\* of dealer/Not Applicable. The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]*  
*(Where not all of the issue is underwritten, indicate the portion not covered)*
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
*[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the "FINMA") as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.***  
*[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.***
35. (i) Simultaneous offer: [Not Applicable/give details]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] ("Public Offer Jurisdictions") during the periods from [specify date] until [specify date] [and from [specify date] until [specify date] ("Offer Period"). See further paragraph 7.

36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]* [Not Applicable]
  - Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]* [Not Applicable]
  - FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
  - Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date]* [In accordance with Condition 15 of the General Conditions]
  - Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
  - Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
  - Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Currency: *[specify]*
- (ii) **Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
  - Maximum period of postponement *[specify if other than eight Business Days]* [In accordance

- of Relevant Benchmark Amount calculation:
- Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]*
- Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]*
- Other: *[Applicable/Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify] [Not Applicable]*
- Other: *[Applicable/Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify] [Not Applicable]*
- Any changes to Condition 15 (d): *[specify/None]*

## CREDIT LINKED PROVISIONS

38. Type of Notes: *[Single Name Credit Linked Notes/First-to-Default Credit Linked Notes/N<sup>th</sup>-to-Default Credit Linked Notes/Linear Basket Notes/other]\**  
*[\*Where the Notes are N<sup>th</sup> -to-Default Credit Linked Notes, specify the value of N, e.g. "Second-to-Default Credit Linked Notes". Note that if Credit Linked Notes of a type other than that covered by Chapter 5 are being issued, then applicable additional provisions will need to be set out in full in these Final Terms.]*

*Where the Notes are Linear Basket Notes, specify the weighting of the Basket.*

39. Settlement Basis: [Cash Settlement/Physical Settlement/Auction Settlement/Cash or Physical or Auction Settlement]
40. Observation Start Date: *[Specify if a date other than as defined in Condition 15 of the Credit linked Conditions otherwise delete row. If no Observation Start Date is stated, then the Credit Linked Conditions provide that the Observation Period will commence on (i) in connection with a Credit Event, the earlier to occur of the Trade Date and the Credit Event Backstop Date with respect to such Credit Event and (ii) in connection with a Succession Event, the earlier to occur of the Trade Date and the Succession Event Backstop Date with respect to such Succession Event, as applicable.]*
41. Scheduled Observation End Date: *[●][Specify if a date other than as defined in Condition 15 of the Credit Linked Conditions otherwise delete row. If no Scheduled Observation End Date is stated, then the Credit Linked Conditions provide that such date will be the Maturity Date.]*
42. Final Payment Date: *[Specify alternative date or delete row]*
43. Alternative Interest Cessation Date: [Applicable/Not Applicable]  
*[Specify as “Applicable” where, following a Credit Event, interest is to cease to accrue from a date other than the Interest Period Date immediately preceding the relevant Event Determination Date. Note that, in such circumstances, the relevant Alternative Interest Cessation Date will be the date specified in the Credit Event Notice or the Termination Event Notice, as applicable.]*
44. Reference Entity/ies: [Specify]
45. Related Nominal Amount: *[Specify in respect of each Reference Entity]*
46. Reference Obligation(s): [Specify]
47. Adjustment Events: [Applicable/Not Applicable]  
[Regulatory Change Event  
Tax Event]  
*[Select all that apply, if applicable. Note that, if specified as applicable, the occurrence of an Adjustment Event will result in an adjustment to principal and/or interest payments in respect of the Notes, but will not result in an early redemption of the Notes.]*
48. Credit Events: [Bankruptcy  
Failure to Pay  
Grace Period Extension: [Not] Applicable  
[Grace Period: [•] days]  
Payment Requirement: [U.S.\$1,000,000] or its equivalent in the relevant Obligation Currency as of the

occurrence of the relevant Failure to Pay

*[If Grace Period Extension is applicable, consider whether or not to specify the number of days in the Grace Period. If a number of days is not so specified (in which Grace Period may be deleted), the Grace Period will be the lesser of the applicable grace period with respect to the relevant Obligation and 30 calendar days.]*

Obligation Acceleration

Obligation Default

Repudiation/Moratorium

Notice of Publicly Available Information: [Not]

Applicable

*[Consider whether or not delivery of a Notice of Publicly Available Information should be a requirement for satisfying the Repudiation/ Moratorium Extension Condition.]*

Restructuring

Restructuring Maturity Limitation and Fully Transferable Obligation: [Not] Applicable

Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation: [Not] Applicable

Default Requirement: [U.S.\$10,000,000 or its equivalent in the relevant Obligation Currency as of the occurrence of the relevant Credit Event]

Multiple Holder Obligation: [Not] Applicable

*[Select all that apply]*

49. Termination Events:

[FX Convertibility Event

FX Transferability Event

Tax Event

Regulatory Change Event

Spread Event

Reference Credit Default Swap Notional

Amount: *[Specify, if other than Aggregate Nominal Amount of Notes]*

Reference Credit Default Swap Scheduled

Termination Date: *[Specify, if other than Scheduled Observation End Date]*

Reference Credit Default Swap Spread: *[Specify]*

Spread Threshold: *[Specify]*

Reference Interest Rate Swap Notional Amount:

*[Specify, if other than Aggregate Nominal Amount of Notes]*

Reference Interest Rate Swap Termination Date:

*[Specify, if other than Scheduled Observation End Date]*



- Reference Interest Rate Swap Benchmark: *[Specify]*  
Reference Interest Rate Swap Margin: *[Specify]*  
Sovereign Risk Event  
*[Select all that apply]*
50. Trade Date: *[Specify]*
51. Conditions to Settlement: *[Credit Event Notice  
Notice of Publicly Available Information  
[Notice of Physical Settlement]]  
[Select all that apply. Notice of Physical Settlement only  
applicable where Physical Settlement is the applicable  
Settlement Basis.]]*
52. Relevant Currency: *[Specify]*
53. Relevant Jurisdiction: *[Specify]*
54. Cash Settlement Date: *[Specify alternative date or delete row]*
55. Cash Settlement Amount: *[Recovery Amount/Other amount]*
56. Valuation Method: *[Highest/Market Value/Average Highest/Average  
Market/ Blended Highest/Blended Market/Average  
Blended Market/Average Blended Highest]  
(Only required if no Cash Settlement Amount is  
specified)*
57. Final Price: *[Specify alternative calculation method or delete row]*
58. Quotations: *[Include Accrued Interest/Exclude Accrued Interest]*
59. Quotation Amount: *[[€][EUR]•]  
[Delete row if Quotation Amount is the outstanding  
principal balance of the Reference Obligation.]*
60. Valuation Date: *[Single Valuation Date  
[•] Business Days  
[Multiple Valuation Dates  
[•] Business Days and each [•] Business Days  
thereafter Number of Valuation Dates: [•]]  
[Select one or delete row if Single Valuation Date and  
5 Business Days applies]*
61. Valuation Time: *[Specify]*
62. Auction Cash Settlement Amount: *[As defined in Condition 15 of the Credit Linked  
Conditions]/[Other (specify)]*
63. Auction Cash Settlement Date: *[As defined in Condition 15 of the Credit Linked  
Conditions]/[Other (specify)]*
64. Hedge Unwind Adjustment: *[Applicable/Not Applicable]*
65. Physical Settlement Date: *[[•] Business Days]*
66. Partial Cash Settlement Date: *[Specify alternative meaning or delete row]*
67. Market Value: *[Specify alternative meaning or delete row]*
68. Obligation Category: *[Payment/Borrowed Money/Reference Obligations  
Only/Bond/Loan/Bond or Loan]*

69. Obligation Characteristics: [Select only one]  
 [Not Subordinated Specified Currency/Not Sovereign Lender/Not Domestic Currency/Not Domestic Law/ Listed/Not Domestic Issuance]  
 [None]  
 [Select all that apply]
70. All Guarantees: [Applicable/Not Applicable]
71. Deliverable Obligation Category: [Payment/Borrowed Money/Reference Obligations Only/ Bond/Loan/Bond or Loan]  
 [Select only one]
72. Deliverable Obligation Characteristics: [Not Subordinated Specified Currency/Not Sovereign Lender/Not Domestic Currency/Not Domestic Law/ Listed/Not Contingent/Not Domestic Issuance/ Assignable Loan/Consent Required Loan/Direct Loan Participation/Transferable/Maximum Maturity/ Accelerated or Matured/Not Bearer]  
 [Select all that apply]
73. Business Day(s): [Specify]
74. Fixed Number of Reference Entities: [Applicable]/[Not Applicable]
75. Credit Event Backstop Date: [Applicable]/[Not Applicable]
76. Succession Event Backstop Date: [Applicable]/[Not Applicable]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on the Luxembourg Stock Exchange/ the Italian Stock Exchange/specify relevant regulated market] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer and the Guarantor (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/

- (ii) Admission to trading: Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/other (specify)/ None]  
[Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/ Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/other (specify)] with effect from [●]. [the first day of “as-if-and-when-issued-trading”]]  
  
[Not Applicable.]  
[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*]
- (iii) As-if-and-when—issued-trading: [Three Business Days preceding the Issue Date/Not Applicable]
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*
- (v) [Minimum Transferable Amount][applicable only to Italian Certificates to be listed on the SeDeX or on other markets which provide so] [Specify/Not Applicable]

## 2. RATINGS

- Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Notes has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

## 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

(i) Reasons for the offer

[●]

*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here.)*

(ii) Estimated net proceeds

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

**6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\**

*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

**7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\***

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

**8. INFORMATION ON UNDERLYING**

*[Need to include details of where information on past and future performance and volatility of the underlying security/ies, reference entity/ies and/or reference obligations can be obtained, the name of the issuer of the underlying security/ies and ISIN/other identification code of the underlying security/ies and /or the name(s) of the reference entity(ies) and/or reference obligations and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying security/ies, reference entity/ies and/or reference obligations and the circumstances when the risks are most evident.]*

**9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\***

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

#### **10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

#### **11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

#### **12. OPERATIONAL INFORMATION**

- |        |   |   |
|--------|---|---|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)   | ISIN Code   | [●]   |
| (iii)  | Common Code:  | [●]   |
| (iv)   | Other relevant code:  | [●] [Not Applicable]  |
| (v)    | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]   |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [●]   |
| (viii) | Name and address of Calculation Agent:                                    | [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]  |

#### **13. [FURTHER ADDITIONAL INFORMATION]**

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)].

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Notes:

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 6 - FUND LINKED NOTES

### PART 1 - TERMS AND CONDITIONS OF FUND LINKED NOTES

The terms and conditions applicable to Fund Linked Notes issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”), and the additional Terms and Conditions set out below (the “Fund Linked Conditions”) in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Fund Linked Conditions, the Fund Linked Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Fund Linked Conditions; and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Notwithstanding Condition 5(a) of the General Conditions, unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer (subject to the provisions of Conditions 5(l) and 5(m) of the General Conditions, and this Condition 1 of the Fund Linked Conditions) as its Final Redemption Amount on the Maturity Date.

In the case of Notes that reference a single Fund, if the Final Redemption Receipt Date falls on or after the Latest Permissible Receipt Date, then the Issuer may, notwithstanding Condition 5(l) of the General Conditions, postpone the payment of the Final Redemption Amount to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Final Redemption Receipt Date and the Long Stop Date (the “Final Payment Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Maturity Date to the Final Payment Date. If the Calculation Agent determines that the Final Redemption Receipt Date falls on or after the Long Stop Date, the Notes shall be redeemed at zero or such other amount as the Issuer determines in its sole and absolute discretion.

In the case of Notes that reference a Basket Portfolio, if the Final Redemption Receipt Date of one or more of the Funds comprising the Basket Portfolio falls on or after the Latest Permissible Receipt Date (each such Fund being a “Delayed Fund”), then, notwithstanding Condition 5(l) of the General Conditions, if under Basket Final Redemption, the consequence specified is:

- (i) “Basket Final Redemption Postponement”, the Issuer may postpone payment of the Final Redemption Amount to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Final Redemption Receipt Date in respect of the final Delayed Fund and the Long Stop Date (the “Final Basket Payment Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Maturity Date to the Final Basket Payment Date. If the Calculation Agent determines that the Final Basket Payment Date would fall on or after the Long Stop Date, the Notes shall be redeemed at such amount as the Issuer determines in its sole and absolute discretion; or
- (ii) “Delayed Fund Redemption Postponement”, the Issuer may pay the notional redemption proceeds of the Fund Interests that the Issuer would have received by the Latest Permissible Receipt Date on the Maturity Date and postpone the payment of the notional redemption proceeds of the Delayed Fund(s) to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Final Redemption Receipt Date in respect of the final Delayed Fund and the Long Stop Date (the “Delayed Fund Final Payment Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Maturity Date to the Delayed Fund Final Payment Date. If the Calculation Agent determines that the Final Redemption Receipt Date in respect of the final Delayed Fund falls on or after the Long Stop Date, the Notes shall be redeemed at such amount as the Issuer determines in its sole and absolute discretion.

## 2. Early Redemption

Notwithstanding Conditions 5(e), 5(k) and 8 of the General Conditions, if (a) the Calculation Agent determines that an Early Redemption Event has occurred or is continuing, the Calculation Agent shall forthwith give notice as soon as reasonably practicable to the Noteholders in accordance with Condition 10 of the General Conditions, and each Note shall fall due for redemption on the Early Redemption Date at its Early Redemption Amount, or (b) for the purposes of Condition 8 of the General Conditions, an Event of Default occurs and is continuing and a Note held by a Noteholder is declared to be due and payable, the same shall become due and payable on the Early Redemption Date at its Early Redemption Amount.

In the case of Notes that reference a single Fund, if the Calculation Agent determines that the Early Redemption Receipt Date falls on or after the Latest Permissible Receipt Date, then the Issuer may postpone the payment of the Early Redemption Amount to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Early Redemption Receipt Date and the Long Stop Date (the “Final Early Redemption Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Early Redemption Date to the Final Early Redemption Date. If the Calculation Agent determines that the Early Redemption Receipt Date falls on or after the Long Stop Date, the Notes shall be redeemed at zero or such other amount as the Issuer determines in its sole and absolute discretion.

In the case of Notes that reference a Basket Portfolio, if the Early Redemption Receipt Date of one or more of the Funds comprising the Basket Portfolio falls on or after the Latest Permissible Receipt Date (each such Fund being a “Delayed Early Redemption Fund”), then if under Basket Early Redemption, the consequence specified is:

- (i) “Basket Early Redemption Postponement”, the Issuer may postpone payment of the Early Redemption Amount to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Early Redemption Receipt Date in respect of the final Delayed Early Redemption Fund and the Long Stop Date (the “Final Early Redemption Basket Payment Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Early Redemption Date to the Final Early Redemption Basket Payment Date. If the Calculation Agent determines that the Final Early Redemption Basket Payment Date would fall on or after the Long Stop Date, the Notes shall be redeemed at such amount as the Issuer determines in its sole and absolute discretion; or
- (ii) “Delayed Fund Early Redemption Postponement”, the Issuer may pay the notional redemption proceeds of the Fund Interests that the Issuer would have received by the Latest Permissible Receipt Date on the Early Redemption Date and postpone the payment of the notional redemption proceeds of the Delayed Fund(s) to the date that is that number of Business Days equal to the Settlement Period following the earlier of the Early Redemption Receipt Date in respect of the final Delayed Fund and the Long Stop Date (the “Delayed Fund Final Early Redemption Date”). For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment from the Early Redemption Date to the Delayed Fund Final Early Redemption Date. If the Calculation Agent determines that the Early Redemption Receipt Date in respect of the final Delayed Fund falls on or after the Long Stop Date, the Notes shall be redeemed at such amount as the Issuer determines in its sole and absolute discretion.

Any notice to Noteholders in respect of such a payment shall specify the expected date of that payment, which date shall be confirmed by the Issuer in a later separate notice to Noteholders.

## 3. Definitions

For the purposes of these Fund Linked Conditions, the following terms shall have the meanings set out below:



“**Active Weight Rebalancing Entity**” has the meaning specified in the applicable Final Terms;

“**Active Weight Rebalancing Written Notice**” means 100 calendar days unless otherwise specified in the applicable Final Terms;

“**Affected Fund Calculation Date**” shall have the meaning specified in Condition 7.4 of these Fund Linked Conditions;

“**Affected Fund Interest**” shall have the meaning specified in Condition 7.4 of these Fund Linked Conditions;

“**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;

“**Applicable Fund Centres**” has the meaning set out in the applicable Final Terms;

“**Associated Costs**” means an amount per Note equal to the *pro rata* share (on the basis of the principal amount of the Note and the aggregate principal amount of all Notes which have not been redeemed or cancelled as at the date for early redemption) of the total amount of any and all costs associated or incurred by the Issuer in connection with such early redemption including, without limitation, any costs associated with liquidating or amending any financial instruments or transactions entered into by the Issuer in connection with the Notes, together with costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions and any costs associated with any market disruption, all as determined by the Calculation Agent;

“**Audit Event**” means the making of any reservation in an audit report of a Fund by the auditor of that Fund that is, in the determination of the Calculation Agent, material;

“**Averaging Dates**” means, in respect of the Calculation Determination Date, each of the dates specified as such in the applicable Final Terms, in each case subject to adjustment in accordance with the Fund Business Day Convention and Condition 5(l) of the General Conditions;

“**Basket Business Day**” has the meaning specified in the applicable Final Terms;

“**Basket Portfolio**” shall have the meaning specified in Condition 7 of these Fund Linked Conditions;

“**Basket Portfolio Interest**” shall have the meaning specified in Condition 7 of these Fund Linked Conditions;

“**Basket Portfolio Interest Price**” shall have the meaning specified in Condition 7 of these Fund Linked Conditions;

“**Basket Replacement Fund**” shall have the meaning specified in Condition 7.2 of these Fund Linked Conditions;

“**Basket Value**” shall have the meaning specified in Condition 7 of these Fund Linked Conditions;

“**Calculation Date**” means an Averaging Date, an Observation Date, the Strike Date, a Weight Rebalancing Date, the Valuation Date or any other date on which a value of a Fund Interest is required to be calculated;

“**Calculation Determination Date**” means the Business Day (or such number of Business Days as specified in the applicable Final Terms) following the date on which the Interest Price for the Valuation Date or final Averaging Date, as the case may be, is either notified, published or (if the proviso to the definition of “Fund Interest Price” applies) the Final Redemption Receipt Date or the Early Redemption Receipt Date, as the case may be;

**“Charging Change”** means the increase of, or introduction by a Fund of (a) a bid/offer spread or (b) charges for subscription or redemption orders made by an Investing Entity, for Fund Interests in addition to any such spread or charge specified in the Fund Rules as applicable on the Issue Date;

**“Corporate Event”** means a declaration by or on behalf of a Fund of:

- (i) a subdivision, consolidation, reclassification or distribution of the relevant Fund Interests which has a diluting or concentrative effect on the theoretical value of such Fund Interests;
- (ii) a (1) dividend (including cash, and whether ordinary or extraordinary), (2) distribution or (3) issue of the relevant Fund Interests, capital, securities, rights or other assets or interests to existing holders of the relevant Fund Interests that has or is likely to have an effect on the value of such Fund Interest; or
- (iii) a call by a Fund in respect of the relevant Fund Interests that are not fully paid;

**“Cross-contamination”** means any cross-contamination or other failure by a Fund to effectively segregate assets between the different classes of Fund Interests and different classes, series or compartments of that Fund;

**“Currency Change”** means the currency in which (a) Fund Interests are denominated or (b) the net asset value of a Fund is calculated, is no longer the currency specified in the Fund Rules; **“Distribution In-kind”** means a redemption of Fund Interests in the form of a distribution of non-cash assets;

**“Cut-off Period”** means the Disrupted Period or such different number of Fund Business Days as specified in the applicable Final Terms;

**“Delayed Early Redemption Fund”** shall have the meaning specified in Condition 2 of these Fund Linked Conditions;

**“Delayed Fund”** shall have the meaning specified in Condition 1 of these Fund Linked Conditions;

**“Delayed Fund Final Early Redemption Date”** shall have the meaning specified in Condition 2 of these Fund Linked Conditions;

**“Delayed Fund Final Payment Date”** shall have the meaning specified in Condition 1 of these Fund Linked Conditions;

**“Disrupted Day”** means any Fund Business Day or, as applicable, Basket Business Day on which a Market Disruption Event has occurred;

**“Disrupted Period”** means the period comprising the number of Fund Business Days specified as such in the applicable Final Terms, commencing on (and including) the day immediately following the original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been the Strike Date, an Observation Date, the Valuation Date or such Averaging Date, as the case may be;”

**“Early Redemption Amount”** means, in respect of each Note, an amount in the Specified Currency equal to the fair market value of such Note less the Associated Costs, with such fair market value being determined on the Early Redemption Receipt Date (taking into account the occurrence of the Early Redemption Event or Event of Default, as the case may be), as determined by the Calculation Agent by reference to such factor(s) as it may deem appropriate;

**“Early Redemption Date”** means the Business Day falling that number of Business Days equal to the Settlement Period following the Early Redemption Receipt Date;

**“Early Redemption Event”** means:

- (a) an event as described in Condition 5(b) of the General Conditions or Condition 5(k) of the General Conditions; and

- (b) a determination by the Issuer pursuant to (iii) of Condition 6 and (iii) of Condition 7.2 of the Fund Linked Conditions below.

**“Early Redemption Receipt Date”** means the date on which a holder of a Fund Interest would have received the proceeds of a redemption of such Fund Interest deemed to have been made on or as soon as reasonably practicable after the date, either (a) in the case of an Early Redemption Event, notice of redemption of the Notes given to the Noteholders or, if no such date is specified, on which such notice is given or (b) in the case of an Event of Default, on which the Notes are declared due and payable, all as determined by the Calculation Agent;

**“Fallback Active Weight Rebalancing”** means No Weight Rebalancing unless otherwise specified in the relevant Final Terms;

**“Final Basket Payment Date”** shall have the meaning specified in Condition 1 of these Fund Linked Conditions;

**“Final Early Redemption Basket Payment Date”** shall have the meaning specified in Condition 2 of these Fund Linked Conditions;

**“Final Early Redemption Date”** shall have the meaning specified in Condition 2 of these Fund Linked Conditions;

**“Final Payment Date”** shall have the meaning specified in Condition 1 of these Fund Linked Conditions;

**“Final Price”** means:

- (c) if “Single Price” is specified as the Final Price in the applicable Final Terms, the Interest Price on the Valuation Date; or
- (d) if “Average Price” is specified as the Final Price in the applicable Final Terms, the arithmetic mean of the Interest Prices for each Averaging Date;

**“Final Redemption Amount”** means an amount in the Specified Currency determined by the Calculation Agent as specified in the applicable Final Terms;

**“Final Redemption Receipt Date”** means the date on which a holder of a Fund Interest would have received the proceeds of a redemption of such Fund Interest deemed to have been submitted for redemption on or as soon as reasonably practicable after the Valuation Date or final Averaging Date, as the case may be, all as determined by the Calculation Agent;

**“Fund”** means the entity, collective investment scheme, fund, trust, partnership or similar arrangement or undertaking specified as such in the applicable Final Terms, or any Replacement Fund or Basket Replacement Fund;

**“Fund Accounting Event”** means any changes in the accounting principles or policies applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;

**“Fund Business Day”** means a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the Applicable Fund Centres;

**“Fund Business Day Convention”** means as specified in the applicable Final Terms, where:

- (a) “Following” means if the relevant day is not a Fund Business Day or, as applicable, Basket Business Day such day shall be postponed to the next day which is a Fund Business Day or, as applicable, Basket Business Day;
- (b) “Modified Following” means if the relevant day is not a Fund Business Day or, as applicable,

Basket Business Day such day shall be postponed to the next day which is a Fund Business Day or, as applicable, Basket Business Day unless it would thereby fall into the next calendar month, in which event such day shall be brought forward to the immediately preceding Fund Business Day or, as applicable, Basket Business Day; and

- (c) “Preceding” means if the relevant day is not a Fund Business Day or, as applicable, Basket Business Day such day shall be brought forward to the immediately preceding Fund Business Day or, as applicable, Basket Business Day;

“**Fund Constitution Breach**” means any failure to observe any of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;

“**Fund Constitution Change**” means any modification of the objects, constitution, conditions, nature, or Fund Rules of a Fund that is, in the determination of the Calculation Agent, material;

“**Fund Interest**” means a unit, share, partnership interest, or other similar direct interest in a Fund that entitles the holder of such interest to a share in the net assets of that Fund, as specified as such in the applicable Final Terms, or such relevant interests in any Replacement Fund or Basket Replacement Fund as determined by the Calculation Agent in accordance with Condition 6 and Condition 7.2 of the Fund Linked Conditions below;

“**Fund Interest Price**” means, on any Fund Business Day, the price of one Fund Interest in the Specified Currency as at that Fund Business Day (subject to the provisions of Condition 5(l) of the General Conditions), which shall be equal to the available official net asset value of a Fund per Fund Interest for that Fund Business Day, as either notified to the Calculation Agent by the relevant Fund Manager or published by or on behalf of such Fund, less any applicable costs, expenses or taxes that would be incurred by a holder of a Fund Interest in redeeming such Fund Interest, determined by the Calculation Agent; provided that if an Investing Entity either makes an investment in, or redeems, Fund Interests as of such Fund Business Day at a price per Fund Interest that is different from the one so notified or published, the net price per Fund Interest at which such investment or redemption is effected shall be treated as the Fund Interest Price;

“**Fund Manager**” means (a) the person specified as such in the applicable Final Terms, (b) any other person responsible from time to time for notifying the holders of Fund Interests of the relevant net asset value of the Fund or Fund Interests, or (c) the relevant manager or person as described in (b) above in respect of any Replacement Fund or Basket Replacement Fund as determined by the Calculation Agent in accordance with Condition 6 and Condition 7.2 of the Fund Linked Conditions below;

“**Fund Regulatory Event**” means any changes in the regulatory treatment applicable to a Fund and/or its Fund Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;

“**Fund Rules**” means, with respect to a Fund, the terms of the bye-laws and other associated documentation relating to such Fund and any other rules or regulations relating to such Fund and the relevant Fund Interests (including any prospectus in respect of such) existing on the Issue Date of the Notes, including its investment guidelines and restrictions;

“**Fund Rules Breach**” means any failure of the Fund Manager of a Fund to comply with any terms set out in the Fund Rules of that Fund;

“**Fund Strategy Breach**” means any failure to observe any of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;

“**Fund Strategy Change**” means any modification of the investment objectives, policies or strategy of a Fund that is, in the determination of the Calculation Agent, material;

“**Fund Tax Event**” means any changes in the tax treatment applicable to a Fund and/or its Fund

Manager and/or any Investing Entity which might reasonably be expected to have an economic, legal or regulatory impact for the Issuer;

**“Fund Value”** means, in relation to each Fund included in a Basket Portfolio, the product of the Number of Fund Interests and the Fund Interest Price for that Fund;

**“Initial Price”** means:

- (a) if a particular amount is specified as the Initial Price in the applicable Final Terms, the amount specified as such; or
- (b) if “Strike Price” is specified as the Initial Price in the applicable Final Terms, the Interest Price on the Strike Date as determined by the Calculation Agent;

**“Initial Weights”** shall have the meaning specified in Condition 7 of these Fund Linked Conditions;

**“Interest Price”** means the Fund Interest Price in the case of Notes that reference a single Fund and the Basket Interest Price in the case of Notes that reference a Basket Portfolio;

**“Investor Tax Event”** means any changes in the regulatory, tax, accounting and/or any other treatment applicable to the holder of Fund Interests, which could have an economic or legal or regulatory impact for such holder;

**“Hedge Counterparty”** means any party to a contract with the Issuer or any of its Affiliates under which the Issuer obtains a derivative exposure to Fund Interests and includes hedge counterparties of such hedge counterparties;

**“Hedging Event”** means the Issuer is unable, or would incur an increased cost (compared with that on the Issue Date), to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of, in such size and upon such timing as it determines appropriate, any transaction(s) or asset(s) it deems necessary to hedge the risk of entering into and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) upon such timing and in such form as it determines appropriate, whether or not in accordance with the Fund Rules;

**“Initial Basket Value”** means the Aggregate Nominal Amount of the Notes (or such other amount as specified in the relevant Final Terms);

**“Investing Entity”** means the Issuer, any Affiliate of the Issuer or any Hedge Counterparty that holds, redeems or subscribes Fund Interests and references in the Fund Linked Conditions to an Investing Entity are to any such entity acting in that capacity;

**“Investment Restrictions”** has the meaning specified in the applicable Final Terms;

**“Latest Permissible Determination Date”** means, in respect of any payment, the date that falls the number of Business Days equal to the Settlement Period before the relevant payment falls due;

**“Latest Permissible Receipt Date”** means, in respect of any payment, the date that falls the Settlement Period before the Maturity Date or the Early Redemption Date, as the case may be;

**“Litigation Event”** means the commencement or continuation of litigation involving a Fund, Fund Manager or other service provider of that Fund that is, in the determination of the Calculation Agent, material;

**“Long Stop Date”** means the date falling two years after the Early Redemption Date or the Maturity Date, as the case may be (or such other date as specified in the applicable Final Terms);

**“Management Change”** means the occurrence of any event or the making of any changes affecting the structure of a Fund, its management, its material service providers, its reputation or solvency and/or the structure of, or rights attaching to, any shares in the capital of a Fund, which, in the reasonable opinion of

the Calculation Agent is likely to have a significant impact on the value of the Fund Interests of such Fund, whether immediately or later;

**“Mandatory Disposal”** means any event or circumstance (whether or not imposed by the Fund, or in accordance with the Fund Rules) that obliges the holder of Fund Interests to sell or otherwise dispose of such Fund Interests;

**“Market Disruption Event”** means, in respect of a Fund Business Day, the occurrence or continuation, as determined by the Calculation Agent, of:

- (a) a failure or postponement that is, in the determination of the Calculation Agent, material by a Fund Manager to publish the official net asset value of a Fund per Fund Interest in respect of that Fund Business Day (provided that such Fund Business Day is a day for which such official net asset value is scheduled to be published); or
- (b) the inability of a holder of Fund Interests to subscribe for, or redeem, Fund Interests for value on that Fund Business Day (provided that such Fund Business Day is a day for which subscriptions or redemptions are scheduled to be permissible (in accordance with the Fund Rules)); or
- (c) a postponement or failure of a Fund to make any payment in respect of the redemption of Fund Interests on any day for which such payment is scheduled to be made (in accordance with the Fund Rules).

**“Market Event”** means any crisis in the major financial markets such that the holding, trading or managing of an investment in a Fund is impracticable, inadvisable or materially altered;

**“Number of Basket Portfolio Interests”** equals the Initial Basket Value divided by the initial Basket Portfolio Interest Price;

**“Number of Fund Interests”** means, in relation to each Fund included in the Basket Portfolio, the number of Fund Interests in such Fund included in the Basket Portfolio as determined above;

**“Observation Dates”** means the dates specified as such in the relevant Final Terms, subject to adjustment in accordance with the Fund Business Day Convention and Condition 5(1) of the General Conditions;

**“Original Fund”** shall have the meaning specified in Condition 7.2 of these Fund Linked Conditions;

**“NAV Suspension”** means suspension of the calculation or publication of the net asset value of a Fund, or failure by its Fund Manager, its administrator or any relevant entity duly appointed in that respect to deliver when due any relevant report detailing the net asset value of that Fund;

**“Performance Failure”** means any failure of the Fund Manager, administrator and/or the custodian (and/or other relevant service provider, as determined by the Calculation Agent) of a Fund to perform any of its material obligations under the Fund Rules or the liquidation, termination of appointment or resignation of the Fund Manager, administrator, custodian and/or a relevant service provider of such Fund;

**“Potential Regulatory Event”** means an investigation into the activities of a Fund, its Fund Manager, its custodian and/or its administrator being launched, or such activities being placed under review, in each case by their respective regulatory authorities or other competent body, for reason of alleged wrong-doing, alleged breach of any rule or regulation, or other similar reason;

**“Redemption Failure”** means a holder of Fund Interests would be unable to receive redemption payments in respect of such Fund Interests;

**“Regulatory Event”** means the winding-up, the closure or the termination of a Fund or the cancellation of the approval or registration of a Fund or its Fund Manager (or any successor thereto) by any relevant regulatory authority;

**“Replacement Fund”** shall have the meaning specified in Condition 6 of these Fund Linked Conditions;

**“Settlement Period”** means seven Business Days (or such other number of Business Days as specified in the applicable Final Terms);

**“Strike Date”** means the date specified as such in the applicable Final Terms, subject to adjustment in accordance with the Fund Business Day Convention and Condition 5(l) of the General Conditions. All other terms shall have the meanings given to them in Condition 3 of the Fund Linked Conditions below;

**“Subscription/Redemption Alteration”** means any subscription or redemption orders with respect to Fund Interests are not executed as described in the Fund Rules for that Fund;

**“Subscription/Redemption Restriction”** means any suspension of, or any restriction on, the acceptance of subscriptions or redemptions for Fund Interests or any limitation imposed on such subscription or redemptions (whether or not in accordance with the Fund Rules);

**“Substitution Event”** means, as determined by the Calculation Agent, the occurrence of any or more of the events as defined as such in the applicable Final Terms, which Substitution Events may, as indicated in the applicable Final Terms, include any of the following: Audit Event, Charging Change, Corporate Event, Cross-contamination, Currency Change, Fund Accounting Event, Fund Constitution Breach, Fund Constitution Change, Fund Regulatory Event, Fund Rules Breach, Fund Strategy Breach, Fund Strategy Change, Fund Tax Event, Hedging Event, Investor Tax Event, Litigation Event, Management Change, Mandatory Disposal, Market Event, NAV Suspension, Performance Failure, Potential Regulatory Event, Redemption Failure, Regulatory Event, Subscription/Redemption Alteration, Subscription/Redemption Restriction, Transfer Restriction and/or any other event specified as such in the applicable Final Terms;

**“Transfer Restriction”** means suspension of, or any restriction on, the ability of a holder of Fund Interests to transfer any such Fund Interests, other than in accordance with the Fund Rules;

**“Valid Date”** means a Fund Business Day which the Calculation Agent determines is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur;

**“Valuation Date”** has the meaning given to it in the applicable Final Terms;

**“Weight”** means, in relation to each Fund included in the Basket Portfolio, the percentage of the Basket Value comprised by the related Fund Value;

**“Weight Rebalancing Date”** has the meaning specified in the applicable Final Terms.

#### **4. Disrupted Days**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

##### *“(l) Disrupted Days*

If the Calculation Agent determines that, subject as provided below, any Calculation Date on which a Fund Interest Price is to be determined is a Disrupted Day, then such Calculation Date shall be the first succeeding Fund Business Day that is not a Disrupted Day, unless each of the Fund Business Days falling in the Disrupted Period is a Disrupted Day. In that case:

- (a) that final Fund Business Day of the Disrupted Period shall be deemed to be such Calculation Date in respect of the related Fund Interests, notwithstanding the fact that such day is a Disrupted Day; and
- (b) the Calculation Agent shall determine the Fund Interest Price as its good faith estimate of the Fund Interest Price that would have prevailed, but for the occurrence of a Disrupted Day, on that final Fund Business Day of the Disrupted Period.

If the Calculation Agent determines that any Averaging Date is a Disrupted Day, then if under Averaging Date Disruption in the Final Terms the consequence specified is:

- (i) “Omission”, then such Averaging Date shall be deemed not to be an Averaging Date. If through the operation of this provision no Averaging Date would occur, then the provisions above will apply for the purposes of determining the relevant Fund Interest Price for the final Averaging Date as if such final Averaging Date were a Disrupted Day;
- (ii) “Postponement”, then the provisions above will apply for the purposes of determining the relevant Fund Interest Price for that Averaging Date as if such Averaging Date were a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; or
- (iii) “Modified Postponement”, then the relevant Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the final Fund Business Day of the Cut-off Period for that original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that final Fund Business Day of the Cut-off Period shall be deemed to be the relevant Averaging Date (irrespective of whether such day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant Fund Interest Price for that Averaging Date with its good faith estimate of the Fund Interest Price that would have prevailed, but for the occurrence of a Disrupted Day, on that deemed Averaging Date.

Notwithstanding the provisions of Condition 5 of the General Conditions, as amended, if the Calculation Agent determines that the Calculation Determination Date for any payment falls after the Latest Permissible Determination Date, such payment shall be postponed to the date that is the number of Business Days equal to the Settlement Period, following the Calculation Determination Date. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of any delay that results in the postponement of any payment in respect of the Notes.”

## **5. Adjustments**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

### *“(n) Adjustments*

If the Calculation Agent determines that, in respect of a Fund, a Corporate Event has occurred or is continuing, the Calculation Agent will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Amount, the Early Redemption Amount (if any) and/or any of the terms and conditions of the Notes as the Calculation Agent determines appropriate to account for the dilutive or concentrative effect on the value of Fund Interests and (b) determine the effective date(s) of the adjustment(s). The Issuer shall give notice of such adjustment to Noteholders in accordance with Condition 10 of the General Conditions. For the avoidance of doubt, if Corporate Event is also specified as a Substitution Event in the Final Terms, the provisions of Condition 6 of the Fund Linked Conditions shall prevail.”

## **6. Inclusion Conditions and Substitution Events**

If at any time the Calculation Agent determines that an applicable Substitution Event has occurred or is continuing with respect to a Fund, the Calculation Agent may:

- (i) waive such Substitution Event; or
- (ii) as soon as is practicable after such determination, replace such Fund for the purposes of the Notes with an appropriate alternative fund (a “Replacement Fund”), as determined by the Calculation Agent and following any such replacement, the Calculation Agent may make any adjustments to the



terms and conditions of the Notes as it deems appropriate to reflect such replacement; or

- (iii) determine that the Notes shall become due for redemption in accordance with Condition 2 of these Fund Linked Conditions; or
- (iv) determine that the effect of the Substitution Event can be compensated by an adjustment to the terms and conditions of the Notes and following any such determination, the Calculation Agent may make any adjustments to the terms and conditions of the Notes as it deems appropriate to reflect such compensation.

## 7. **Basket Portfolio**

If Basket Portfolio is specified as applicable in the relevant Final Terms, the Issuer will establish and maintain a notional basket portfolio (the “Basket Portfolio”) in respect of the Notes that shall comprise a notional investment in a basket of Funds. The Basket Portfolio will be notionally subdivided into interests (each a “Basket Portfolio Interest”). The value from time to time of a Basket Portfolio Interest (the “Basket Portfolio Interest Price”) will be equal to the Basket Value divided by the Number of Basket Portfolio Interests. The value of the Basket Portfolio (the “Basket Value”) shall initially equal the Initial Basket Value and subsequently shall equal the sum of the Fund Values. The Initial Number of Basket Portfolio Interests equals the Aggregate Nominal Amount of the Notes divided by the Specified Denomination, unless otherwise specified in the relevant Final Terms. On each occasion on which there is a notional redemption or subscription of Basket Portfolio Interests, the Number of Basket Portfolio Interests will be increased (in the case of a subscription) or decreased (in the case of a redemption) by the amount of such subscription or redemption divided by the Basket Portfolio Interest Price. Basket Portfolio Interests may only be notionally redeemed or subscribed on a Basket Business Day.

The Funds included in the Basket Portfolio and their respective Weights as of the Strike Date (the “Initial Weights”) will be set out in the applicable Final Terms. The “Initial Number of Fund Interests” for each Fund will be determined in accordance with the following formula:

$$\text{Initial Basket Value} \times \text{Initial Weight/Fund Interest Price at which the relevant Fund Interest is notionally purchased on the Strike Date.}$$

The Number of Fund Interests will change over time (i) on the notional redemption or subscription of Basket Portfolio Interests or (ii) on a Weight Rebalancing, including following a Substitution Event as set out below. If any notional redemption or subscription of Basket Portfolio Interests does not fall on a Weight Rebalancing Date, the Issuer shall notionally redeem or subscribe, as the case may be, a pro rata number of each Fund’s Fund Interests in the Basket Portfolio equal to the proportion of Basket Portfolio Interests redeemed or subscribed. Otherwise, the redemption or subscription of Fund Interests shall be effected in accordance with the Weight Rebalancing provisions in Condition 7 of these Fund Linked Conditions set out below such that the number of Fund Interests redeemed or subscribed in each Fund shall be such number that will result in the Fund having the Weight required by the Weight Rebalancing provisions in Condition 7 of the Fund Linked Conditions.

### 7.1. **Weight Rebalancing**

The Weight of each Fund in a Basket Portfolio may be adjusted on each Weight Rebalancing Date in accordance with the following provisions, provided that the sum of the Weights of all the Funds in the Basket Portfolio shall always be 100 per cent. and each rebalancing shall involve a notional subscription of Fund Interests (where the weight of a Fund is to increase) or redemption of Fund Interests (where the weight of a Fund is to decrease) in each Fund the Weight of which is to be rebalanced such that the Basket Value is not affected by the rebalancing (although it may be affected by changes in individual Fund Interest Prices that occur during the rebalancing).

- (i) **No Weight Rebalancing:** If “No Weight Rebalancing” is specified as being applicable in the relevant Final Terms, Weight Rebalancing will not be applicable.

- (ii) **Standard Weight Rebalancing:** If “Standard Weight Rebalancing” is specified as being applicable in the relevant Final Terms, the Weight of each Fund within the Basket Portfolio on a Weight Rebalancing Date shall be adjusted so that it equals the Weight of such Fund on the Weight Rebalancing Date immediately prior to the Weight Rebalancing Date after the application of the relevant Weight Rebalancing provisions as of such prior Weight Rebalancing Date. Where no Weight Rebalancing Date has occurred prior to the Weight Rebalancing Date or if Standard Weight Rebalancing is the only applicable Weight Rebalancing provision during the term of the Notes, the Weight of each Fund within the Basket Portfolio on the Weight Rebalancing Date shall be adjusted so that it equals its Initial Weight.
- (iii) **Active Weight Rebalancing:** If “Active Weight Rebalancing” is specified as being applicable in the relevant Final Terms, a third party, which, for the avoidance of doubt, shall not be acting as an agent for the Issuer, the Calculation Agent or any of their affiliates and will not hold itself out as an agent for the Issuer, the Calculation Agent or any of their affiliates, as designated in the relevant Final Terms (“Active Weight Rebalancing Entity”) may on providing the Calculation Agent with such written notice (“Active Weight Rebalancing Written Notice”) as specified in the relevant Final Terms prior to a Weight Rebalancing Date, adjust the Weights applying to each Fund in the Basket Portfolio on a Weight Rebalancing Date, provided that immediately following such Active Weight Rebalancing the composition of the Basket Portfolio complies with the Investment Restrictions. If no Active Weight Rebalancing Written Notice has been received by the Calculation Agent prior to a Weight Rebalancing Date or if an Active Weight Rebalancing Written Notice does not comply with the Investment Guidelines, Fallback Active Weight Rebalancing will apply.
- (iv) **Standard Weight Rebalancing subject to Thresholds:** If “Standard Weight Rebalancing subject to Thresholds” is specified as being applicable in the relevant Final Terms and the difference between the Weight of any Fund on a Weight Rebalancing Date and the Weight of such Fund on the previous Weight Rebalancing Date on which there was a rebalancing is more than the Threshold specified in the applicable Final Terms, the Weight of each Fund within the Basket Portfolio on that Weight Rebalancing Date shall be adjusted so that it equals the Weight of such Fund on the most recent Weight Rebalancing Date prior to the Weight Rebalancing Date on which there was a rebalancing after the application of the relevant Weight Rebalancing provisions as of such prior Weight Rebalancing Date. Where no Weight Rebalancing Date has occurred prior to the Weight Rebalancing Date or if Standard Weight Rebalancing is the only applicable Weight Rebalancing provision during the term of the Notes, the Weight of each Fund within the Basket Portfolio on the Weight Rebalancing Date shall be adjusted (subject to the threshold) so that it equals its Initial Weight.
- (v) **Other Weight Rebalancing:** If “Other Weight Rebalancing” is specified as being applicable in the relevant Final Terms, the Other Weight Rebalancing provisions set out in the relevant Final Terms will apply on each Weight Rebalancing Date.

## 7.2. Basket Substitution Events

If the Calculation Agent determines that a Substitution Event has occurred in relation to a Fund in the Basket Portfolio at such time (the “Original Fund”) then the Calculation Agent may:

- (i) waive such Substitution Event; or
- (ii) remove such Fund from the Basket Portfolio with effect as soon as reasonably practicable and, as soon as reasonably practicable following the removal of such Fund, either:
  - (a) substitute such Fund with an alternative fund specified in the relevant Final Terms (“Basket Replacement Fund”) having the same weight as the Original Fund or more than one Basket Replacement Fund having individual Weights selected by the Calculation Agent and an

aggregate Weight equal to the Original Fund; or

- (b) if no Basket Replacement Fund is specified in the relevant Final Terms or otherwise available or if a Fund Substitution Event has occurred in relation to each of the Basket Replacement Funds, adjust the Weights of the remaining Funds in the Basket Portfolio;

and following any such replacement or weight adjustment, the Calculation Agent may make any adjustments to the terms and conditions of the Notes as it deems appropriate to reflect such replacement or weight adjustment; or

- (iii) determine that the Notes shall become due for redemption in accordance with Condition 2 of these Fund Linked Conditions above; or
- (iv) determine that the effect of the Substitution Event can be compensated by an adjustment to the terms and conditions of the Notes and following any such determination, the Calculation Agent may make any adjustments to the terms and conditions of the Notes as it deems appropriate to reflect such compensation.

As of such date of replacement of the Original Fund with one or more Basket Replacement Funds, the Basket Replacement Fund (or where more than one Basket Replacement Fund is used, the Basket Replacement Funds together) will be deemed to be the Original Fund for the purposes of this Condition 7.2 of these Fund Linked Conditions.

For the avoidance of doubt, the Issuer or the Calculation Agent are under no obligation to monitor whether or not a Substitution Event has occurred in respect of any Fund. Neither the Issuer nor the Calculation Agent shall be liable to any Noteholder for losses resulting from (i) any determination that the Substitution Event has occurred or has not occurred in relation to a Fund, (ii) the timing relating to the determination that a Substitution Event has occurred in relation to a Fund or (iii) any actions taken or not taken by the Issuer as a result of such determination that a Substitution Event has occurred.

### **7.3. Basket Adjustments**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(o) as follows:

#### *“(o) Basket Adjustments*

If the Calculation Agent determines that, in respect of a Fund in the Basket Portfolio, a Corporate Event has occurred or is continuing, the Calculation Agent will (a) make the corresponding adjustment(s), if any, to any one or more of the Redemption Amount, the Early Redemption Amount (if any) and/or any other provision as the Calculation Agent determines appropriate to account for the dilutive or concentrative effect on the value of the relevant Fund Interests and (b) determine the effective date(s) of the adjustment(s). The Issuer shall give notice of such adjustment to Noteholders in accordance with Condition 10 of the General Conditions. For the avoidance of doubt, if Corporate Event is also specified as a Substitution Event in the Final Terms, the provisions of Condition 7.2 of these Fund Linked Conditions shall prevail.”

### **7.4. Basket Portfolio Disrupted Days**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

#### *“(m) Basket Portfolio Disruption*

If the Calculation Agent determines that, subject as provided below, any Calculation Date in respect of any Fund Interest in the Basket Portfolio is a Disrupted Day (each an “Affected Fund Interest”), then:

- (i) if “Affected Fund Disruption” is specified in the relevant Final Terms, the relevant Calculation Date

in respect of the Affected Fund Interest only shall be the first succeeding relevant Fund Business Day that is not a Disrupted Day, unless each of the relevant Fund Business Days falling in the Disrupted Period is a Disrupted Day. In that case (a) the final Fund Business Day of the Disrupted Period shall be deemed to be the relevant Calculation Date in respect of the Affected Fund Interest, notwithstanding the fact that such day is a Disrupted Day and (b) the Calculation Agent shall determine the Fund Interest Price of the Affected Fund Interest as its good faith estimate of the Fund Interest Price of the Affected Fund Interest that would have prevailed, but for the occurrence of a Disrupted Day, on that final Fund Business Day of the Disrupted Period (the “Affected Fund Calculation Date”). The related Basket Value shall be determined on the Affected Fund Calculation Date and the Fund Values for all Fund Interests that are not Affected Fund Interests shall be determined on the relevant scheduled Calculation Date.

If the Calculation Agent determines that any Averaging Date is a Disrupted Day and Affected Fund Disruption is specified, then if under Basket Averaging Date Disruption in the Final Terms the consequence specified is:

- (A) “Affected Fund Omission”, then such Averaging Date shall be deemed not to be an Averaging Date, in relation to the Affected Fund only. If through the operation of this provision no Averaging Date would occur in relation to such Affected Fund, then the provisions above will apply for the purposes of determining the relevant Fund Interest Price for the final Averaging Date as if such final Averaging Date were a Disrupted Day;
  - (B) “Affected Fund Postponement”, then the provisions above will apply for the purposes of determining the relevant Fund Interest Price of the relevant Affected Fund Interest only for that Averaging Date, as if such Averaging Date were a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; or
  - (C) “Affected Fund Modified Postponement”, then the relevant Averaging Date for the relevant Affected Fund Interest only shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the final Fund Business Day of the Cut-off Period for that original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that final Fund Business Day of the Cut-off Period shall be deemed to be the relevant Averaging Date (irrespective of whether such day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant Fund Interest Price of the relevant Affected Fund for that Averaging Date with its good faith estimate of the Fund Interest Price that would have prevailed.
- (ii) if “Basket Disruption” is specified in the relevant Final Terms, the relevant Calculation Date for all Fund Interests in the Basket Portfolio shall be the first succeeding Basket Business Day that is not a Disrupted Day, unless each of the Basket Business Days falling in the Disrupted Period is a Disrupted Day. In that case (a) that final Basket Business Day of the Disrupted Period shall be deemed to be the relevant Calculation Date in respect of all Fund Interests in the Basket Portfolio and (b) the Calculation Agent shall determine the Fund Interest Price of each Affected Fund Interest as its good faith estimate of the relevant Fund Interest Price of each Affected Fund Interest that would have prevailed, but for the occurrence of a Disrupted Day, on that final Basket Business Day of the Disrupted Period.

If the Calculation Agent determines that any Averaging Date is a Disrupted Day and Basket Disruption is specified, then if under Basket Averaging Date Disruption in the Final Terms the consequence specified is:

- (A) “Basket Omission”, then such Averaging Date shall be deemed not to be an Averaging Date, in relation to the Basket Portfolio, for the purposes of determining the Basket Portfolio

Interest Price. If through the operation of this provision no Averaging Date would occur in relation to the Basket Portfolio, then the provisions above will apply for the purposes of determining each Fund Interest Price for the final Averaging Date as if such final Averaging Date were a Disrupted Day;

- (B) “Basket Postponement”, then the provisions above will apply for the purposes of determining the Fund Interest Price of each Fund in the Basket Portfolio for that Averaging Date as if such Averaging Date were a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a date that already is or is deemed to be an Averaging Date; or
- (C) “Basket Modified Postponement”, then the relevant Averaging Date for each Fund Interest in the Basket Portfolio shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the final Basket Business Day of the Cut-off Period for that original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date then (A) that final Basket Business Day of the Cut-off Period shall be deemed to be the relevant Averaging Date (irrespective of whether such day is already an Averaging Date), and (B) the Calculation Agent shall determine the relevant Fund Interest Price of each Fund in the Basket Portfolio for that Averaging Date with its good faith estimate of each Fund Interest Price that would have prevailed.

For the purposes of this paragraph (ii) only, all references in the definitions of Cut-off Period, Disruption Period and Value Date to Fund Business Day shall be construed to be references to Basket Business Day.

- (iii) If “Affected Fund Estimate” is specified in the relevant Final Terms, the Calculation Agent shall determine the price of one relevant Affected Fund Interest as its good faith estimate of the price of one relevant Affected Fund Interest that would have prevailed, but for the occurrence of a Disrupted Day, on the relevant scheduled Calculation Date.

## PART 2 - FORM OF FINAL TERMS FOR FUND LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Fund Linked Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance SA**

**Issue of [Aggregate Nominal Amount of Tranche][Number of Units]<sup>u</sup> [Title of Notes]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

*Under all circumstances investors in the Fund Linked Notes acknowledge that they [shall act with the Issuer on a principal-to-principal basis and therefore for their own account] [or] [are sophisticated investors and have such knowledge and experience in investment matters (including without limitation matters involving the purchase of notes linked to funds similar to the Fund Linked Notes)], and they have made their own independent decision to invest in the Fund Linked Notes and their own independent decision as to whether the investment in the Fund Linked Notes is appropriate or proper for them based upon their own judgement and upon advice from such advisers as they have deemed necessary. They are not relying on any communication (written or oral) of the Guarantor (either in its capacity as such or in its capacity as the Calculation Agent) or the Fund Manager as investment advice or as a recommendation to invest in the Fund Linked Notes, it being understood that information and explanations related to the terms and conditions of the Fund Linked Notes shall not be considered to be investment advice or a recommendation to invest in the Fund Linked Notes. Neither the Issuer nor the Guarantor nor any of its affiliates is or has acted as "Arranger" or "Dealer" or in any similar capacity with respect to the issue of the underlying fund(s). No communication (written or oral) received from the Guarantor (either in its capacity as such or in its capacity as the Calculation Agent) or the Fund Manager shall be deemed to be an assurance or guarantee as to the expected results of the investment in the Fund Linked Notes or the performance of the underlying fund(s).*

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Fund Linked Conditions set forth in Chapter 6, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

<sup>#</sup>*[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

<sup>\*</sup>*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Fund Linked Conditions set forth in Chapter 6, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus")]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth herein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))].

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

- |   |  |
|---|--|
| 1. Issuer   | ING Belgium International Finance S.A.   |
| 2. Guarantor  | ING Belgium SA/NV  |
| 3. [(i)] Series Number:                                       | [●]  |
| [(ii)] Tranche Number:  | [●]  |
|   | <i>(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)</i>  |
| 4. Specified Currency or Currencies:                          | [●]  |
| 5. Aggregate Nominal Amount [of Notes admitted to trading]**: | [●] [Units] <sup>u</sup>   |
| (i) Tranche:  | [●][Units] <sup>u</sup>  |
| (ii) Series:  | [●][Units] <sup>u</sup>  |
|   | <i>(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)</i>   |
| 6. Issue Price:   | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note)]<br>[[●] per Unit] |
| 7. Offer price, offer period and application process:         | [Applicable/Not Applicable]<br><i>(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)</i>   |

*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].*

*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for*



- which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.))*  
*(If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors).*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised).*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest]  
*[specify other]*  
*(further particulars specified below)*
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
 [Partly Paid] [Instalment]  
*[specify other]*

- (further particulars specified below)
14. Change of Interest Basis or Redemption/ Payment Basis: [Not Applicable]  
[Applicable]  
*[Specify details of any provision for change of Notes into another interest or redemption payment basis]*
15. Put/Call Options: [Not Applicable]  
[Noteholder Put] [Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [, subject to adjustment in accordance with *[specify Business Day Convention]* (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
*[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last*

	<i>coupon]</i> <i>(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)</i> <i>(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))</i>
(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:	[None/Aggregate Nominal Amount Determination is applicable/ <i>Give details</i> ] <i>(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))</i>
<b>19. [Floating Rate/Variable- linked Interest] Note Provisions:</b>	[Applicable/Not Applicable] <i>(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)</i>
(i) Specified Period(s)/Specified Interest Payment Dates:	[●]
(ii) Business Day Convention:	[Floating Rate Convention/Following Business Day Convention (Adjusted) /Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention(Adjusted)/Preceding Business Day Convention (Unadjusted)/ <i>[specify other]</i> ]
(iii) Additional Business Centre(s):	[No Additional Business Centres/ <i>specify other</i> ]
(iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]:	[Screen Rate Determination/ISDA Determination/ <i>specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details</i> ]
(v) Party responsible for calculating the Rate of Interest and Interest(s) Amount:	[Calculation Agent/ <i>specify other</i> ]
(vi) Screen Rate Determination:	[Applicable/Not Applicable]
- Reference Rate:	[●] <i>(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)</i>
- Interest Determination Date(s):	[●] <i>(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)</i>

- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (vii) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (viii) Margin(s): [+/-] [●] per cent. per annum
  - (ix) Minimum Rate of Interest: [●] per cent. per annum
  - (x) Maximum Rate of Interest: [●] per cent. per annum
  - (xi) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA)  
[Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)]*
  - (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
- 20. Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
  - (ii) Reference Price: [●]
  - (iii) Any other formula/basis of [●]

determining amount payable:

- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/ *specify other*]  
(*Consider applicable Day Count Fraction if not U.S. dollar denominated*)

## 21. Dual Currency Interest Note

### Provisions:

- [Applicable/Not Applicable]  
(*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
(*If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate*)

## PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable] (*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*)
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [calculation Amount] [Unit] <sup>u</sup>
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount of each Note: [●]
- (b) Maximum Redemption Amount of each Note: [●]
- (iv) Notice period (if other than as set out in the General Conditions): [●]  
(*N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
23. Noteholder Put: [Applicable/Not Applicable]  
(*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*)

- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit] <sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit] <sup>u</sup> /specify other]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
- (iii) Other (Condition 5(k) of the General Conditions): [Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
 New Global Note: [Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to*

*be held in a manner which would allow Eurosystem eligibility”)*

*[Permanent Global Note not exchangeable for Definitive Notes]*

27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period End Dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
*[specify Calculation Agent if other than Guarantor]*  
*(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*  
*(Where not all of the issue is underwritten, indicate the portion not covered)*
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: *[specify name [and address]\* of dealer/Not Applicable.*  
*The Notes are not being underwritten by any Dealer(s).*  
*(i.e. if Notes are to be directly sold by the Issuer)]*  
*(Where not all of the issue is underwritten, indicate the portion not covered)*
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
*[Include the following text for Notes offered to the public*

*in Switzerland: Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.]*

*[Include the following text for Notes not offered to the public but privately placed in Switzerland: Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.]*

35. (i) Simultaneous offer: [Not Applicable/give details]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] ("Public Offer Jurisdictions") during the period from [specify date] until [specify date] ("Offer Period"). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** [specify as applicable or delete if N/A]
- Scheduled Valuation Date: [specify]
  - Primary FX Rate: [specify, including the time of day on which the exchange rate is to be taken][Not Applicable]
  - Fallback FX Rate: [specify, including the time of day on which the exchange rate is to be taken][Not Applicable]
  - FX Market Disruption Event period: [specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]
  - Maximum Period of Postponement: [.specify it other than the period which begin on a Scheduled Valuation Date or on any other date on which



*any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date* [In accordance with Condition 15 of the General Conditions]

- Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
- Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
- Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*
- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
  - Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
  - Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]*
  - Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]
- Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]
- Any changes to Condition 15 (d): *[Specify/None]*

**FUND LINKED PROVISIONS**

- 38. Fund: *[Specify]*
- 39. Fund Interest: *[Specify]*
- 40. Fund Manager: *[Specify]*
- 41. Applicable Fund Centre(s): (for the purpose of Fund Business Days) *[•]*
- 42. Fund Business Day Convention: *[Following] / [Modified Following] / [Preceding]*

**Market Disruption**

- 43. Disrupted Period: *[Specify number of Fund Business Days before Issuer may estimate values owing to Market Disruption] Fund Business Days*
- 44. Basket Portfolio Disruption: *[Applicable/Not Applicable]*  
*[Affected Fund Disruption/Basket Disruption/Affected Fund Estimate]*
- 45. Averaging Date Disruption: *[Omission] / [Postponement] / [Modified Postponement]*
- 46. Basket Averaging Date Disruption: *[Affected Fund] [Basket] [Omission]*  
*[Affected Fund] [Basket] [Postponement]*  
*[Affected Fund] [Basket] [Modified Postponement]*
- 47. Cut-off Period:  
(If Averaging Date Disruption is determined by Modified Postponement and the period is different to the Disrupted Period) *[Not Applicable]*  
*[•]*

**Substitution**

- 48. Substitution Event  
(select all that apply): *[Audit Event; Charging Change; Corporate Event; Cross-contamination; Currency Change; Fund Accounting Event; Fund Constitution Breach; Fund Constitution Change; Fund Regulatory Event; Fund Rules Breach; Fund Strategy Breach; Fund Strategy Change; Fund Tax Event; Hedging Event; Investor Tax Event; Litigation Event; Management Change; Mandatory Disposal;*

*Market Event; NAV Suspension; Performance Failure;  
Potential Regulatory Event; Redemption Failure;  
Regulatory Event; Subscription/Redemption Alteration;  
Subscription/Redemption Restriction;  
Transfer Restriction]*

### BASKET PORTFOLIO PROVISIONS

49. Basket Portfolio: *[Applicable/Not Applicable]*  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*

(i) Initial Funds and Initial Weights:

Fund	Class	Bloomberg Ticker	ISIN	Initial Weight (per cent.)
<hr/>				
<hr/>				
(ii)	Basket Business Day:	[●]		
(iii)	Initial Basket Value:	[●]		
(iv)	No Weight Rebalancing:	[Not Applicable][Applicable]		
(v)	Standard Weight Rebalancing:	[Not Applicable][Applicable]		
		<i>(If not applicable, state not applicable and delete the rest of this paragraph)</i>		
	(a) Weight Rebalancing Date:	[●]		
(vi)	Active Weight Rebalancing:	[Not Applicable][Applicable]		
		<i>(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)</i>		
	(a) Active Weight Rebalancing Entity:	[●]		
	(b) Weight Rebalancing Date:	[●] (standard is semi-annually).		
	(c) Active Weight Rebalancing Written Notice: (unless specified is 100 calendar days).	[●]		
	(d) Investment Restrictions:	[●]		
	(e) Fallback Active Weight Rebalancing:	[●]		
(vii)	Standard Weight Rebalancing subject to Thresholds:	[Not Applicable][Applicable]		
		<i>(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)</i>		
	(a) Weight Rebalancing Date:	[●]		
	(b) Threshold:	[●]		
(viii)	Other Weight Rebalancing:	[Not Applicable][Applicable]		
		<i>(If not applicable, state not applicable and delete rest of this paragraph)</i>		
	Weight Rebalancing Date:	[●]		
		<i>[insert provisions in relation to Other Weight Rebalancing]</i>		
(ix)	Basket Replacement Funds:			
Basket Replacement Fund	Class	Bloomberg Ticker	ISIN	
<hr/>				

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on the Luxembourg Stock Exchange/*specify relevant regulated market*] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- |  |  |
|--|--|
| (i) Listing:   | [The Official List of the Luxembourg Stock Exchange/other ( <i>specify</i> )/ <i>None</i> ]  |
| (ii) Admission to trading:   | [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/ other ( <i>specify</i> )] with effect from [●] [the first day of “as-if-and-when-issued-trading”].]<br>[Not Applicable.]<br>[ <i>(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)</i> *] |
| (iii) As-if-and-when-issued-trading:                               | [Three Business Days preceding the Issue Date/Not Applicable]  |
| (iv) Estimate of total expenses related to admission to trading:** | [●]**  |

### 2. RATINGS

Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Notes has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt

rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

### 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

### 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

- |                                |   |
|--------------------------------|---|
| (i) Reasons for the offer      | <p>[•]</p> <p><i>(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and or hedging certain risks will need to include those reasons here.)</i></p>  |
| (ii) Estimated net proceeds    | <p>[•]</p> <p><i>(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)</i></p>  |
| (iii) Estimated total expenses | <p>[•]. [Include breakdown of expenses]</p> <p><i>(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)</i></p> <p><i>[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]</i></p> |

### 6. [YIELD (Fixed Rate Notes only)]

- |                      |  |
|----------------------|--|
| Indication of yield: | <p>[•]</p> <p>[Calculated as [include details of method of calculation in summary form] on the Issue Date.]***</p> <p>As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]</p> |
|----------------------|--|

### 7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\*

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

## **8. INFORMATION ON UNDERLYING**

*[Need to include the ISIN codes and any other codes of the underlying fund(s) and details of where information on past and future performance and volatility of the underlying fund(s) can be obtained and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

## **9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)\***

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

## **10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

## **11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

## **12. OPERATIONAL INFORMATION**

- |       |   |   |
|-------|---|---|
| (i)   | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)  | ISIN CODE:  | [●]   |
| (iii) | Common Code:  | [●]   |
| (iv)  | Other relevant code:  | [●] [Not Applicable]  |
| (v)   | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Other] [Not Applicable]  |
| (vi)  | Delivery  | Delivery [against/free of] payment<br>(Include details of any other method and time limits for paying up and delivering the Notes)  |
| (vii) | Names and addresses of  | [●]   |

additional Paying Agent(s) (if any):

- (viii) Name and address of [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels]  
Calculation Agent: [Other]

### 13 [FURTHER ADDITIONAL INFORMATION]

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation to Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)].

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#### Notes:

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 7 - DYNAMIC AND STATIC PORTFOLIO NOTES

### PART 1 - TERMS AND CONDITIONS OF DYNAMIC AND STATIC PORTFOLIO NOTES

The terms and conditions applicable to Dynamic and Static Portfolio Notes issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”), the provisions of the Applicable Chapter (as defined below) and the additional Terms and Conditions set out below (the “Dynamic and Static Portfolio Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions, the Applicable Chapter and the Dynamic and Static Portfolio Conditions, the Dynamic and Static Portfolio Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions, the Applicable Chapter and/or the Dynamic and Static Portfolio Conditions; and (ii) the Final Terms, the Final Terms shall prevail. In the event that more than one Applicable Chapter is specified in the Final Terms, the provisions of an Applicable Chapter shall only apply to the asset or basket of assets as specified in the Final Terms of the relevant Applicable Chapter.

Pursuant to this Chapter 7 the Issuer may issue Single Asset Portfolio Notes or Asset Basket Portfolio Notes.

“**Single Asset Portfolio Notes**” are Notes that relate to an investment in a Master Portfolio that is subdivided into one or more of (a) a single asset, (b) a Deposit Portfolio and (c) a Leverage Portfolio.

“**Asset Basket Portfolio Notes**” are Notes that relate to an investment in a Master Portfolio that is subdivided into one or more of (a) a basket of assets, (b) a Deposit Portfolio and (c) a Leverage Portfolio.

#### 1. Definitions

For the purposes of these Dynamic and Static Portfolio Conditions, the following terms shall have the meanings set out below:

“**Allocation Threshold**” has the meaning specified in the relevant Final Terms.

“**Ceiling Percentage**” has the meaning given to it in the relevant Final Terms.

“**Deposit Bid Spread**” has the meaning given to it in the relevant Final Terms.

“**Deposit Business Day**” means the business day for the currency of the Deposit as specified in the relevant Final Terms.

“**Deposit Coupon**” has the meaning given to it in the relevant Final Terms.

“**Deposit Coupon Payment Date**” has the meaning given to it in the relevant Final Terms.

“**Deposit Day Count Fraction**” has the meaning given to it in the relevant Final Terms.

“**Deposit Offer Spread**” has the meaning given to it in the relevant Final Terms.

“**Deposit Redemption Amount**” means the nominal amount of a Deposit or such other amount as may be specified in the applicable Final Terms.

“**Floor Percentage**” has the meaning specified in the applicable Final Terms.

“**Initial Reference Portfolio Allocation**” has the meaning specified in the applicable Final Terms.

“**Leverage Day Count Fraction**” has the meaning given to it in the relevant Final Terms.

“**Leverage Notional Amount**” means an amount calculated as of each Specified Date that commences a Reference Period and calculated after all other calculations, determinations and adjustments required to be made as of that Specified Date have been made. The Leverage Notional Amount shall be



calculated in accordance with the applicable Final Terms.

**“Master Portfolio Investment Proceeds”** means the Aggregate Nominal Amount of the Notes (unless otherwise specified in the relevant Final Terms).

**“Master Portfolio Redemption Date”** means the last Reference Portfolio Business Day on which the Reference Portfolio Interests of the Reference Portfolio could be notionally redeemed or sold, as the case may be, (for value as of that Reference Portfolio Business Day) in order that the proceeds of such redemption or sale, as the case may be, would be available by the Reference Portfolio Final Valuation Date, as determined by the Calculation Agent, or, such other date as is specified in the applicable Final Terms.

**“Reference Period”** means a period from (and including) a Specified Date to (but excluding) the next following Specified Date, with the final Reference Period ending on the Master Portfolio Valuation Date.

**“Reference Portfolio Allocation”** means the value of the Reference Portfolio divided by the Master Portfolio Value, expressed as a percentage.

**“Reference Portfolio Final Valuation Date”** means the fifth Reference Portfolio Business Day prior to the Maturity Date or the Early Redemption Date, unless otherwise specified in the applicable Final Terms.

**“Specified Date”** means each of (i) the Issue Date, (ii) each Allocation Adjustment Settlement Date (as defined in Condition 6.6 of these Dynamic and Static Portfolio Conditions), (iii) such other Reference Portfolio Business Day as may be specified by the Calculation Agent and (iv) the Master Portfolio Redemption Date.

**“Target Reference Portfolio Allocation”** has the meaning specified in the applicable Final Terms.

## 2. Master Portfolio

If Master Portfolio is specified as applicable in the relevant Final Terms, the Issuer will establish and maintain a notional Master Portfolio (the “Master Portfolio”) in respect of the Notes that shall notionally comprise certain assets (and liabilities) that are notionally allocated to such Master Portfolio. Unless otherwise stated in the Final Terms, the initial and all subsequent allocations of notional assets (and liabilities) of the Master Portfolio will be sub-divided into the Reference Portfolio, the Deposit Portfolio (if applicable) and the Leverage Portfolio (if applicable), such assets (and liabilities) shall be determined in accordance with Condition 6 of these Dynamic and Static Portfolio Conditions and the relevant Final Terms. The Master Portfolio will be notionally subdivided into interests (each a “Master Portfolio Interest”). The value from time to time of a Master Portfolio Interest (the “Master Portfolio Interest Price”) will be equal to the Master Portfolio Value divided by the Number of Master Portfolio Interests. The value of the Master Portfolio (the “Master Portfolio Value”) shall initially equal the Aggregate Nominal Amount of the Notes, unless otherwise specified in the relevant Final Terms, and subsequently shall equal the sum of the value of the Reference Portfolio, the Deposit Portfolio and the Leverage Portfolio. On each occasion on which there is a notional redemption or subscription of Master Portfolio Interests, the Number of Master Portfolio Interests will be increased (in the case of a subscription) or decreased (in the case of a redemption) by the amount of such subscription or redemption divided by the Master Portfolio Interest Price.

## 3. Reference Portfolio

The **“Reference Portfolio”** comprises the notional investment of the Master Portfolio in either an asset or a basket of assets as determined in accordance with the provisions of one or more (as applicable), relevant chapter(s) specified in the relevant Final Terms under “Applicable Chapter(s)”. References in these Dynamic and Static Portfolio Conditions to “Reference Portfolio Interests”, “Reference Portfolio Interest Price” and “Reference Portfolio Business Day” means a reference to units in the relevant asset or

basket of assets, the price of such units and the Business Day applicable to such asset or basket of assets, all as determined in accordance with the provisions of the applicable chapter as specified in the relevant Final Terms (the “Applicable Chapter(s)”).

#### **4. Deposit Portfolio**

4.1. Where a Deposit Portfolio is specified as being applicable in the relevant Final Terms, the Master Portfolio will contain a deposit portfolio (the “Deposit Portfolio”). The Issuer will make notional allocations to the Deposit Portfolio in accordance with Condition 6 of these Dynamic and Static Portfolio Conditions. The Deposit Portfolio comprises the aggregate amount of deposits (the “Deposits” and each a “Deposit”) notionally made by the Master Portfolio in respect of the Deposit Portfolio.

#### **4.2.**

4.2.1. If “Zero/Fixed Coupon Deposit” is specified in the relevant Final Terms, each Deposit shall (i) be treated as having been notionally accepted by the Calculation Agent at a discount to its nominal amount (or, depending on prevailing market rates, at a premium), (ii) shall have a coupon equal to the Deposit Coupon (if any) accruing on 100 per cent. of its nominal amount (calculated in accordance with the Deposit Day Count Fraction) and payable as of each Deposit Coupon Payment Date, each as specified in the relevant Final Terms, and (iii) shall be finally redeemed at the Deposit Redemption Amount on the Reference Portfolio Final Valuation Date. The price at which a Deposit is made into the Deposit Portfolio (and the price at which a Deposit is paid out of the Deposit Portfolio in whole or in part prior to the Reference Portfolio Final Valuation Date) and which shall, therefore, be used to determine the nominal amount of the Deposit made (or portion of the Deposit paid out) shall be valued by discounting to the date as of which the calculation is being made each of (i) the nominal amount of the Deposit and (ii) the Deposit Coupons notionally payable on that Deposit, each at the Applicable Rate, using the relevant day count fraction for the Applicable Rate. The discounted price shall be the sum of such discounted amounts. A Deposit shall only be capable of being made as of a Deposit Business Day. For the avoidance of doubt, the Deposit and any accrued interest thereon will be reinvested in another Deposit on the same terms on the day that it matures, unless an Allocation Adjustment requires that all or part of such Deposit is required to be allocated to another portfolio in the Master Portfolio.

The “Applicable Rate” shall be the zero-coupon interest rate (not including a bid or offer spread) for the period from the date as of which the calculation is being made to the payment date of the cashflow being discounted, which zero-coupon interest rate shall be calculated by the Calculation Agent from prevailing swap market rates for each such period (such rates to be determined by the Calculation Agent at its absolute discretion but, in the case of Deposits denominated in U.S. dollars, by reference to USD-LIBOR-BBA, in the case of Deposits denominated in Euro, by reference to EUR-EURIBOR-Reuters, or such other rate as may be specified in the applicable Final Terms as the “Deposit Interest Rate” (each as defined in the the 2006 ISDA Definitions) and, in the case of Deposits denominated in a different currency, by reference to such other publicly available rate (if any) as may be specified in the relevant Final Terms), which swap market rates will be subject to a deduction equal to, (i) where a Deposit is being accepted, the Deposit Offer Spread, (ii) where a Deposit is being repaid, the Deposit Bid Spread and (iii) when a Deposit is being valued for the purposes of determining the Master Portfolio Value, no spread.

4.2.2. If “Overnight Deposit” is being Specified in the relevant Final Terms, on each occasion on which the Deposit is required to be notionally made or liquidated, it shall be treated as

having been notionally accepted by the Issuer in a nominal amount in the Specified Currency equal to the sum of (i) the sum so deposited, (ii) the notional amount of the existing Deposit and (iii) accrued interest on the existing Deposit. The Deposit shall notionally mature on the Business Day following the date of its deemed notional deposit and shall bear interest on its notional amount at the overnight interest rate for deposits in the Specified Currency offered by the Issuer. On maturity of the Deposit, its nominal amount shall be increased by the overnight interest that has accrued on it, which shall be calculated by multiplying the nominal amount of the Deposit by the overnight rate and the number of calendar days between the date of the Deposit was notionally made and its maturity dividing the result by 360, or such other fraction as may be specified in the applicable Final Terms as “Overnight Day Count Fraction”. For the avoidance of doubt, the Deposit and any accrued interest thereon will be reinvested in another Deposit on the same terms on the day that it matures, unless an Allocation Adjustment requires that all or part of such Deposit is required to be allocated to another portfolio in the Master Portfolio.

- 4.2.3. If “No Interest Bearing Deposit” is specified in the relevant Final Terms, on each occasion on which the Deposit is required to be notionally made or liquidated, it shall be treated as having been notionally accepted by the Issuer in a nominal amount in the Specified Currency equal to the sum of (i) the sum so deposited, and (ii) the notional amount of the existing Deposit. The Deposit shall notionally mature on the Business Day following the date of its deemed notional deposit. For the avoidance of doubt, the Deposit will be reinvested in another Deposit on the same terms on the day that it matures, unless an Allocation Adjustment requires that all or part of such Deposit is required to be allocated to another portfolio in the Master Portfolio. No interest shall accrue on any of the Deposits.

## 5. Leverage Portfolio

Where a Leverage Portfolio is specified as being applicable in the relevant Final Terms, the Master Portfolio will contain a Leverage Portfolio as set out below:

- (i) The leverage portfolio (the “Leverage Portfolio”) is a notional borrowing by the Master Portfolio from the Issuer (the “Leverage Counterparty”), whereby on each Specified Date (save for the final Specified Date) the Master Portfolio will, if required pursuant to Condition 6 of these Dynamic and Static Portfolio Conditions, notionally borrow an amount equal to the Leverage Notional Amount for the Reference Period commencing with such Specified Date and, at the end of that Reference Period, will notionally repay that Leverage Notional Amount.
- (ii) The Leverage Notional Amount of any such notional borrowing will be notionally invested in the Reference Portfolio, with such notional investment being made for value as of the Specified Date commencing that notional borrowing. Any repayment of such notional borrowing (that is a reduction of the Leverage Notional Amount, in whole or in part, as specified in Condition 6 of these Dynamic and Static Portfolio Conditions) will be made in the manner set out in Condition 6 of these Dynamic and Static Portfolio Conditions), with any disinvestments from the Reference Portfolio to fund such notional repayment being made for value as of the Specified Date ending the Reference Period relating to such notional borrowing.
- (iii) For each Reference Period, the Master Portfolio will pay interest on the Leverage Notional Amount (if any) equal to the Leverage Funding Costs (unless “No Interest Bearing Leverage Portfolio” is specified in the applicable Final Terms, in which case no interest shall accrue on the Leverage Notional Amount). The “Leverage Funding Costs” will accrue daily and be payable in arrear as of each Leverage Funding Costs Payment Date in that Reference Period in respect of the Leverage Funding Costs Period ending on such Leverage Funding Costs Payment Date. The Leverage Funding Costs payable in respect of a Leverage Funding Costs Period will be an amount, in the

Specified Currency, equal to the sum of the Leverage Cost Daily Accruals for that Leverage Funding Costs Period. For each day in the Leverage Funding Costs Period, the amount that shall accrue daily (each a “Leverage Cost Daily Accrual”) will be equal to the product of:

- (A) The Specified Rate for that Leverage Funding Costs Period, determined by reference to the 2006 ISDA Definitions and as if the Reset Date for the Leverage Funding Costs Period was the Leverage Funding Costs Payment Date (or, in the case of the first Leverage Funding Costs Period in a Reference Period, the Specified Date commencing that Reference Period) commencing that Leverage Funding Costs Period, plus the Funding Spread specified in the relevant Final Terms;
- (B) the Leverage Notional Amount for the Reference Period in which the Leverage Funding Costs Period falls; and
- (C) the Leverage Day Count Fraction.

## **6. Allocation Adjustments**

### **6.1. Initial Allocation**

The Calculation Agent will, as of the Issue Date, notionally allocate an amount equal to the Master Portfolio Investment Proceeds to the Master Portfolio. Of the Master Portfolio Investment Proceeds, an amount equal to the product of the Initial Reference Portfolio Allocation and the Master Portfolio Investment Proceeds will be allocated to the Reference Portfolio for the purpose of notionally investing in Reference Portfolio Interests and, if Deposit Portfolio is specified as being applicable and the Initial Reference Portfolio Allocation is equal to or less than 100 per cent., any remainder will be allocated to the Deposit Portfolio. If Leverage Portfolio is specified as being applicable in the relevant Final Terms and the Initial Reference Portfolio Allocation is greater than 100 per cent., a Leverage Notional Amount equal to the product of (i) the Master Portfolio Investment Proceeds and (ii) the Initial Reference Portfolio Allocation less 100 per cent. will be established which shall be applied towards the notional subscription of additional Reference Portfolio Interests.

### **6.2. Allocation Adjustments**

#### **6.2.1. Static Master Portfolio**

If Static Master Portfolio is specified as applicable in the relevant Final Terms, there will be no subsequent allocation adjustments between the Reference Portfolio, the Deposit Portfolio and the Leverage Portfolio.

#### **6.2.2. Managed Master Portfolio**

If Managed Master Portfolio is specified as applicable in the relevant Final Terms, the Calculation Agent will notionally increase (or decrease) the allocation of the assets of the Master Portfolio to the Reference Portfolio, the Deposit Portfolio and the Leverage Notional Amount (as applicable) (each, an “Allocation Adjustment”), from time to time, based on the criteria specified in the Final Terms (the “Allocation Adjustment Criteria”), by, as applicable, notionally redeeming or selling (as the case may be) or subscribing or purchasing (as the case may be) an appropriate number of Reference Portfolio Interests, by increasing or reducing Deposits and by adjusting the Leverage Notional Amount. At any time, up to the Ceiling Percentage and no less than the Floor Percentage of the Master Portfolio Value may be notionally allocated to the Reference Portfolio. As of any Reference Portfolio Business Day from (and including) the Issue Date to (but excluding) the Master Portfolio Redemption Date, the Issuer will increase (or decrease) the allocation to the Reference Portfolio, the Deposit Portfolio and the Leverage Portfolio as follows:

- (i) If the Target Reference Portfolio Allocation is less than or equal to the Reference

Portfolio Allocation by a percentage equal to or greater than the Allocation Threshold, as estimated by the Calculation Agent, as of any time on any Reference Portfolio Business Day, then a deleverage (a “Deleverage”) will be initiated as of that Reference Portfolio Business Day by notionally redeeming or selling (as the case may be) Reference Portfolio Interests and repaying all, or some only, as necessary, of any Leverage Notional Amount and/or increasing the assets allocated to the Deposit Portfolio by an amount equal to the notional proceeds of such redemption or sale (as the case may be) of Reference Portfolio Interests remaining after any notional repayment of Leverage Notional Amount.

- (ii) If the Target Reference Portfolio Allocation is greater than or equal to the Reference Portfolio Allocation by a percentage equal to or greater than the Allocation Threshold, as estimated by the Calculation Agent, as of any time on any Reference Portfolio Business Day, then a releverage (a “Releverage”) will be initiated on the Reference Portfolio Business Day following such Reference Portfolio Business Day by notionally subscribing or purchasing (as the case may be) Reference Portfolio Interests and increasing any Leverage Notional Amount and/or by notionally subscribing or purchasing (as the case may be) Reference Portfolio Interests and decreasing the allocation to the Deposit Portfolio by an amount equal to the notional proceeds of such subscription or purchase (as the case may be) of Reference Portfolio Interests not notionally attributable to the increase in any Leverage Notional Amount.

- 6.3.** In each case, the Allocation Adjustment will be made to the extent necessary so that the revised allocation of assets of the Master Portfolio to the Reference Portfolio equals the Target Reference Portfolio Allocation. Where the Target Reference Portfolio Allocation is less than 100 per cent., the balance of the assets of the Master Portfolio will be notionally allocated to the Deposit Portfolio. If this results in all the assets of the Master Portfolio being notionally allocated to the Deposit Portfolio there will be no further notional allocation of assets to the Reference Portfolio. Where the Target Reference Portfolio Allocation is more than 100 per cent., a Leverage Notional Amount equal to the product of (i) the Master Portfolio Value and (ii) the Target Reference Portfolio Allocation less 100 per cent. will be established or maintained.

**6.4. Clean-up Call Percentage**

Unless otherwise specified in the relevant Final Terms, if, upon an Allocation Adjustment, the Target Reference Portfolio Allocation formula would result in the percentage value of the assets of the Master Portfolio allocated to the Reference Portfolio being equal to or lower than the Clean-up Call Percentage (as set out in the relevant Final Terms), the Target Reference Portfolio Allocation will be deemed to be zero. In such circumstances, all of the assets of the Master Portfolio will be allocated to the Deposit Portfolio and no further allocation of assets to the Reference Portfolio will occur.

**6.5. Determination of Allocation Adjustments**

The determination as to whether an Allocation Adjustment is necessary and as to the level of each such Allocation Adjustment will be made based on the determination of the relevant formulaic variables as of the Reference Portfolio Business Day of calculation. For the avoidance of doubt, the subsequent publication of official Reference Portfolio Interest Prices or any subsequent correction of a previously determined variable shall in no way retrospectively affect the need for, or the amount of, any Allocation Adjustments that have been initiated or settled in accordance with the foregoing provisions. In addition, although the Calculation Agent is required to effect Allocation Adjustments with the aim described in Condition 6 of these Dynamic and Static Portfolio Conditions and the Final Terms, the exact value of the transactions effected as a result of the Allocation Adjustment cannot be determined until after they have been completed and all relevant Reference Portfolio

Interest Prices determined.

#### **6.6. Timing of Allocation Adjustment**

An Allocation Adjustment may require the notional redemption or purchase (as the case may be) or subscription or sale (as the case may be), as the case may be, of all or some only of the Reference Portfolio Interests notionally held in the Reference Portfolio. Although the Allocation Adjustment will be initiated immediately (such date, the “Allocation Adjustment Effective Date”), the precise timing of the Allocation Adjustment (to the extent that such Allocation Adjustment requires the notional liquidation of Reference Portfolio Interests or notional further investment in Reference Portfolio Interests) will be dependent upon the time it would actually take to effect a liquidation or investment of an equivalent amount in the relevant asset(s) in the Reference Portfolio (as determined by the Calculation Agent in its absolute discretion). Specifically (but subject to Condition 6 of these Dynamic and Static Portfolio Conditions in respect of a Leverage Portfolio) in respect of a Deleverage (or Releverage), the notional redemption or sale (as the case may be) (or subscription or purchase, as the case may be) of Reference Portfolio Interests will be settled as of, and for value, the next following Reference Portfolio Business Day in which an investment (or disinvestment) would next be capable of being made in the relevant Reference Portfolio Interest given the timing restraints specified above (such date, the “Allocation Adjustment Settlement Date”) and the corresponding deposit into (withdrawal from) the Deposit Portfolio (if any) will be made on the Allocation Adjustment Settlement Date using prevailing forward rates for such date, with such forward rates being calculated as of the Allocation Adjustment Effective Date (such forward rate determined by the Calculation Agent from prevailing swap market rates at its absolute discretion).

#### **6.7. Cash Balance**

A certain percentage of the Reference Portfolio may be held as a cash balance (the “Cash Balance”) at the determination of the Issuer. The Issuer may determine to hold or increase the Cash Balance in order to fund any liabilities of the Reference Portfolio, which shall include the value of all accrued premia, fees and expenses notionally attributable to the Reference Portfolio and interest that has notionally accrued, whether or not such sums are currently due and payable. Where the Issuer determines it necessary to hold a Cash Balance in the Reference Portfolio, such Cash Balance will be funded by the notional redemption of Master Portfolio Interests and, if necessary following redemption of all Master Portfolio Interests attributable to the Reference Portfolio, by the notional redemption of Deposits. No interest will be payable on any Cash Balance.

#### **6.8. Deductions of Additions to the Reference Portfolio.**

Where a payment or a deduction is specified to be made from the Reference Portfolio, such payment or deduction will be effected by a reduction of the Cash Balance (if any) by the amount of such payment or deduction. Should the Cash Balance not be sufficient to fund such payment or deduction, the Cash Balance will be reduced to zero and the additional amount required will be met through a redemption of Master Portfolio Interests notionally attributed to the Master Portfolio (payment or deduction or such additional amount being subject to the time it would take to make a redemption of the requisite number of Master Portfolio Interests). If, following the redemption of all Master Portfolio Interests notionally attributable to the Master Portfolio, such payment or deduction still has not been fully met then the remainder of such payment will be met from the Deposit Portfolio (if any). Where an amount is to be notionally credited to the Reference Portfolio, such amount will be applied towards a notional purchase of Master Portfolio Interests, save that the Issuer may determine that all or some only of that amount may be held as part of the Cash Balance.

## PART 2 - FORM OF FINAL TERMS FOR DYNAMIC AND STATIC PORTFOLIO NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Dynamic and Static Portfolio Notes issued under the Programme and may be added to the Final Terms of one, or more (as applicable), Applicable Chapter(s) (after deletion of duplicative sections and insertion of appropriate clarification as to which Chapter any relevant provision of the Final Terms applies).*

Final Terms dated [●]

### ING Belgium International Finance SA

Issue of [Aggregate Nominal Amount of Tranche] [Number of Units] <sup>u</sup> [Title of Notes]

issued pursuant to a

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Dynamic and Static Portfolio Conditions set forth in Chapter 7, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus")] [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein

[for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

<sup>#</sup>*[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Dynamic and Static Portfolio Conditions set forth in Chapter 7, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus")]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth herein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))].

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

#### GENERAL DESCRIPTION OF THE NOTES

- |                         |  |
|-------------------------|--|
| 1. Issuer               | ING Belgium International Finance S.A. |
| 2. Guarantor            | ING Belgium SA/NV                      |
| 3. [(i)] Series Number: | [●]                                    |



- [(ii) Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*]
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●][Units]<sup>u</sup>
- (i) Tranche: [●][Units]<sup>u</sup>
- (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] *(in the case of fungible issues only, if applicable)*] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes *(if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note)*]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].*
- Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.)]*  
*(If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors.)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights*

- and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note] <sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate];  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest]  
*[specify other]*  
*(further particulars specified below)*
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
 [Partly Paid] [Instalment]  
*[specify other]*  
*(further particulars specified below)*
14. Change of Interest Basis or Redemption/ Payment Basis: [Not Applicable]  
 [Applicable][Specify details of any provision for change of Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
 [Noteholder Put] [Issuer Call]  
*[(further particulars specified below)]*
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*

- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [, subject to adjustment in accordance with [specify Business Day Convention] (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
*[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*  
*(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*

- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted) /Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention(Adjusted)/Preceding Business Day Convention (Unadjusted)/ *specify other*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [ Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [●]  
(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)
- Interest Determination Date(s): [●]  
(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is operating prior to the start of each Interest Period if EURIBOR or euro LIBOR)
- Relevant Screen Page: [●]  
(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- (vii) ISDA Determination: [Applicable/Not Applicable]
- Floating Rate Option: [●]
- Designated Maturity: [●]
- Reset Date: [●]
- (viii) Margin(s): [ +/- ] [●] per cent. per annum
- (ix) Minimum Rate of Interest: [●] per cent. per annum
- (x) Maximum Rate of Interest: [●] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA) [Other - *specify*] (see Condition 3 of the General Conditions for

- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions:
- alternatives)]*  
 [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
- 20. Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
 [Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/*specify other*]  
*(Consider applicable Day Count Fraction if not U.S. dollar denominated)*
- 21. Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate of Exchange/method of calculating Rate of Exchange: [*give details*]
- (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]

- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
*[If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

## PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable] *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount of each Note: [●]
- (b) Maximum Redemption Amount of each Note: [●]
- (iv) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]
25. Other:
- (i) Early Redemption Amount of [●]

- each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions):
- [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions):
- [•]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
- (iii) Other (Condition 5(k) of the General Conditions):
- [Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes:  
 New Global Note:
- [Bearer Notes:  
 [Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*  
*[Permanent Global Note not exchangeable for Definitive Notes]*
27. Additional Financial Centre(s) or other special provisions relating to Payment Days:
- [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period End Dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*

29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
  - (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
[specify Calculation Agent if other than Guarantor]  
(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.  
(Where not all of the issue is underwritten, indicate the portion not covered))
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [specify name [and address]\* of dealer/Not Applicable.  
The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]  
[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered**



*or distributed in connection with any such offering or distribution.]*

35. (i) Simultaneous offer: [Not Applicable/give details]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] ("Public Offer Jurisdictions") during the period from [specify date] until [specify date] ("Offer Period"). See further paragraph 7.]
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [•]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
  - Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
  - FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation date or such other date] [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
  - Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is*

*determined by the Calculation Agent* [In accordance with Condition 15 of the General Conditions]

- Relevant Currency: *[specify]*
- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
- Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
- Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
- Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
- Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* [In accordance with Condition 15 of the General Conditions]
- Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]*
- Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]
- Other: [Applicable/Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]* [Not Applicable]

- Any changes to Condition 15 (d): [specify/None]
38. **MASTER PORTFOLIO**
- Master Portfolio Provisions: [Managed Master Portfolio/Static Master Portfolio]
- (i) Applicable Chapter: Chapter [●]
- (ii) Master Portfolio Investment Proceeds: [●][*the Aggregate Nominal Amount unless otherwise specified*]
- (iii) Initial Reference Portfolio Allocations: The Target Reference Portfolio Allocation calculated as of [three] Fund Business Days prior to the Issue Date with Master Portfolio Value being 100 per cent.  
(*if Static Portfolio applicable, delete the remaining subparagraphs of this paragraph*)
- (iv) Allocation Adjustment Criteria: [●] (*when adding the Allocation Adjustment Criteria consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)
- (v) Target Reference Portfolio Allocation: [●]
- (vi) Clean-up Call Percentage: [●] per cent.
- (vii) Ceiling Percentage: [●] per cent.
- (viii) Floor Percentage: [●] per cent.
- (ix) Allocation Threshold: [[●] per cent.] (*insert if Leverage Portfolio does not apply*)  
[Insert if Leverage Portfolio applies]
- (i) [●] per cent. where the Target Reference Portfolio Allocation in respect of the most recent Allocation Adjustment (or, where there has been no Allocation Adjustment, the Initial Reference Portfolio Allocation) was less than or equal to 100 per cent.; and
- (ii) [●] per cent. where the Target Reference Portfolio Allocation in respect of the most recent Allocation Adjustment (or, where there has been no Allocation Adjustment, the Initial Reference Portfolio Allocation) was greater than 100 per cent.]
- (x) Master Portfolio Redemption Date: [●][*specify if different to definition in Chapter 7 of the Base Prospectus*]
- (xi) Reference Portfolio Final Valuation Date: [●]
39. **DEPOSIT PORTFOLIO**
- (i) [Zero/Fixed Coupon Deposit/Overnight Deposit/No Interest Bearing Deposit]: Applicable
- (ii) Overnight Day Count Fraction: [●]  
(*delete if Zero/Fixed Coupon Deposit /No Interest Bearing Deposit*)

*(delete sub-paragraphs if  
Overnight Deposit applicable)*

- (ii) Deposit Coupon: [[●]/[Not Applicable]
  - (iii) Deposit Day Count Fraction: [Actual/365; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 30E/360 Other]
  - (iv) Deposit Coupon Payment Date: [●]
  - (v) Deposit Business Day: [●]
  - (vi) Deposit Offer Spread: [●] basis points
  - (vii) Deposit Bid Spread: [●] basis points
  - (viii) Deposit Interest Rate: [●]
40. **LEVERAGE PORTFOLIO**
- Leverage Portfolio Provisions: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Leverage Notional Amount: [insert calculation]
  - (ii) Funding Spread: [[●] per cent./Not Applicable]
  - (iii) Leverage Day Count Fraction: [●]
  - (iv) No Interest Bearing Leverage Portfolio: [Applicable/Not Applicable]

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on the Luxembourg Stock Exchange/*specify relevant regulated market*] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B – OTHER INFORMATION

### 1. LISTING

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/ other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/other (specify)] with effect from [●][the first day of “as-if-and-when-issued-trading”].] [Not Applicable]  
*[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*]*
- (iii) As-if-and-when-issued-trading: [Three Business Days preceding the Issue Date/Not Applicable]
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*

## 2. RATINGS

- Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Notes has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

## 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

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

- (i) Reasons for the offer [●]  
*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include*

## (ii) Estimated net proceeds

*those reasons here.)]*

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)**(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

## (iii) Estimated total expenses

[●]. *[Include breakdown of expenses]**(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)**[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]***6. [YIELD (Fixed Rate Notes only)**

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\***As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]***7. [HISTORIC INTEREST RATES (Floating Rate Notes only)\***

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).***8. INFORMATION ON UNDERLYING***[Need to include the ISIN codes and any other codes of the underlying fund(s) and details of where information on past and future performance and volatility of the underlying fund(s) can be obtained and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.***9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)\****Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

**10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

**11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**12. OPERATIONAL INFORMATION**

- |        |   |   |
|--------|---|---|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)   | ISIN CODE:  | [•]   |
| (iii)  | Common Code:  | [•]   |
| (iv)   | [Other relevant code:]  | [•]   |
| (v)    | Clearing system(s):   | [Euroclear Bank SA/N.V. and Clearstream Banking, société anonyme][Other][Not Applicable]  |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [•]   |
| (viii) | Name and address of Calculation Agent (if other than the Guarantor):      | [•]   |

**13 [FURTHER ADDITIONAL INFORMATION]**

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation to Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)].

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**Notes:**

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form.]



## CHAPTER 8 - INFLATION LINKED NOTES

### PART 1 - TERMS AND CONDITIONS OF INFLATION LINKED NOTES

The terms and conditions applicable to Inflation Linked Notes issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Inflation Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Inflation Linked Conditions set out below, the Inflation Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Inflation Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the relevant Final Terms not having occurred prior to the Maturity Date or any other applicable date specified in the Final Terms, for the purposes of Condition 5(a) of the General Conditions the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Conditions 5(l), 5(m) and 5(n) of the General Conditions) shall be an amount in the Specified Currency determined by the Calculation Agent in accordance with the formula specified in the relevant Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Averaging Date(s)**” means, if Averaging Dates is specified as applicable in the relevant Final Terms, each of the dates specified as such in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

“**AUD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices for Weighted Average of Eight Capital Cities: All – Groups Index before Seasonal Adjustment”, or relevant Successor Index, measuring the rate of inflation in Australia, expressed as an index and published by the relevant Index Sponsor.

“**AUS – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index (2005)”, or relevant Successor Index, measuring the rate of inflation in Austria, expressed as an index and published by the relevant Index Sponsor.

“**AUS – Non-revised Harmonised Indices of Consumer Prices (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices (2005)”, or relevant Successor Index, measuring the rate of inflation in Austria, expressed as an index and published by the relevant Index Sponsor.

“**Base Level**” means the Index Level (excluding any “flash” estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the Reference Month for which the Substitute Index Level is being determined.

“**BLG – Non-revised Consumer Price Index—General Index (CPI)**” means the “Non-revised Consumer Price Index—General Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor.

“**BLG – Non-revised Consumer Price Index—Health Index (CPI)**” means the “Non-revised

Consumer Price Index—Health Index”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor.

“**BLG – Non-revised Harmonised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Belgium, expressed as an index and published by the relevant Index Sponsor.

“**BRL – Non-revised Consumer Price Index (IPCA)**” means the “Non-revised Extensive National Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor.

“**BRL – Non-revised Price Index (IGP-M)**” means the “IGP-M General Price Index”, or relevant Successor Index, measuring the rate of inflation in Brazil, expressed as an index and published by the relevant Index Sponsor.

“**CAD – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Canada, expressed as an index and published by the relevant Index Sponsor.

“**Change in Law**” means, unless otherwise defined in the relevant Final Terms, that, on or after the earlier of the Strike Date and Issue Date, as applicable, (or as otherwise set forth in the relevant Final Terms) (A) due to the adoption of or 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), the Issuer determines that it will incur a materially increased cost in performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**CLP – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Chile, expressed as an index and published by the relevant Index Sponsor.

“**CNY – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in China, expressed as an index and published by the relevant Index Sponsor.

“**Cut-Off Date**” means, in respect of a Determination Date, the number of Business Days specified in the relevant Final Terms prior to such Determination Date.

“**CZK – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Price Index”, or relevant Successor Index, measuring the rate of inflation in the Czech Republic, expressed as an index and published by the relevant Index Sponsor.

“**DKK – Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor.

“**DKK – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Denmark, expressed as an index and published by the relevant Index Sponsor.

“**Delayed Index Level Event**” means, in respect of any Determination Date, that the Index Sponsor fails to publish or announce the level of the Index (the “Relevant Level”) 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 Determination Date, at any time prior to the Cut-Off Date.

“**DEM – Non-revised Consumer Price Index (CPI)**” means the “Non-revised All Items Index of

Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor.

“**DEM – Non-revised Consumer Price Index for North Rhine-Westphalia**” means the “Non-revised Index of Consumer Prices for North Rhine-Westphalia”, or relevant Successor Index, measuring the rate of inflation in North Rhine-Westphalia, Germany, expressed as an index and published by the relevant Index Sponsor.

“**DEM – Non-revised Harmonised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Germany, expressed as an index and published by the relevant Index Sponsor.

“**Determination Date**” means the Strike Date, the Expiration Date, any Averaging Date, any Observation Date, the Maturity Date or any other date designated in the relevant Final Terms.

“**ESP – Harmonised-Non-revised Consumer Price Index (HICP)**” means the “Non-revised Harmonised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

“**ESP – Harmonised-Revised Consumer Price Index (HICP)**” means the Harmonised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

“**ESP – National-Non-revised Consumer Price Index (CPI)**” means the “Non-revised Index of Consumer Prices including Tobacco”, or relevant Successor Index, measuring the rate of inflation in Spain expressed as an index and published by the relevant Index Sponsor.

“**ESP – National-Revised Consumer Price Index (CPI)**” means the “Year on Year Revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Spain, expressed as an annual percentage and published by the relevant Index Sponsor.

“**EUR – All Items-Non-revised Consumer Price Index**” means the “Non-revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor.

“**EUR – All Items-Revised Consumer Price Index**” means the “Revised Harmonised Index of Consumer Prices All Items”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union expressed as an index and published by the relevant Index Sponsor.

“**EUR – Excluding Tobacco-Non-revised Consumer Price Index**” means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index, measuring the rate of inflation in the European Monetary Union excluding tobacco, expressed as an index and published by the relevant Index Sponsor.

“**Expiration Date**” means the date specified as such in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

“**Fallback Bond**” means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Index relates and which pays a coupon or redemption amount which is calculated by reference to the 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 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).

**“FIN – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor.

**“FIN – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Finland, expressed as an index and published by the relevant Index Sponsor.

**“FRC – Excluding Tobacco-Non-Revised Consumer Price Index”** means the “Non-revised Index of Consumer Prices excluding Tobacco”, or relevant Successor Index, measuring the rate of inflation in France excluding tobacco expressed as an index and published by the relevant Index Sponsor.

**“FRC – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in France, expressed as an index and published by the relevant Index Sponsor.

**“GBP – Non-revised Retail Price Index (UKRPI)”** means the “Non-revised Retail Price Index All Items in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor.

**“GBP – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the United Kingdom, expressed as an index and published by the relevant Index Sponsor.

**“GBP – Non-revised Retail Price Index Excluding Mortgage Interest Payments (UKRPIX)”** means the “Non-revised Retail Price Index Excluding Mortgage Interest Payments in the United Kingdom”, or relevant Successor Index, measuring the all items rate of inflation in the United Kingdom expressed as an index and published by the relevant Index Sponsor.

**“GRD – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor.

**“GRD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Greece expressed as an index and published by the relevant Index Sponsor.

**“HKD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hong Kong, expressed as an index and published by the relevant Index Sponsor.

**“HUF – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Hungary, expressed as an index and published by the relevant Index Sponsor.

**“IDR – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Indonesia, expressed as an index and published by the relevant Index Sponsor.

**“ILS – Non-revised Consumer Price Index (CPI)”** means the “Consumer Price Index-General”, or relevant Successor Index, measuring the rate of inflation in Israel, expressed as an index and published by

the relevant Index Sponsor.

**“Index”** means the index specified in the relevant Final Terms, or any Successor Index.

**“Index Cancellation”** means a level for the Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Index and no Successor Index exists.

**“Index Level”** means the level of the Index or any Substitute Index Level.

**“Index Modification”** means the Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index.

**“Index Sponsor”** means either (x) the index sponsor specified in the Final Terms or such other corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Final Terms, then the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index and (b) announces (directly or through an agent) the level of the Index failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.

**“IRL – Non-revised Consumer Price Index (CPI)”** means the “Consumer Price Index-All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor.

**“IRL – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices—All Items”, or relevant Successor Index, measuring the rate of inflation in Ireland, expressed as an index and published by the relevant Index Sponsor.

**“ISK – Harmonised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor.

**“ISK – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Iceland, expressed as an index and published by the relevant Index Sponsor.

**“ITL – Inflation for Blue Collar Workers and Employees-Excluding Tobacco Consumer Price Index”** means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) senza tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

**“ITL – Inflation for Blue Collar Workers and Employees-Including Tobacco Consumer Price Index”** means the “Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

**“ITL – Non-revised Harmonised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Italy, expressed as an index and published by the relevant Index Sponsor.

**“ITL – Whole Community – Excluding Tobacco Consumer Price Index”** means the “Indice

nazionale dei prezzi al consumo per l'intera collettività (NIC) senza tabacchi” or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

**“ITL – Whole Community – Including Tobacco Consumer Price Index”** means the “Indice nazionale dei prezzi al consumo per l'intera collettività (NIC) con tabacchi”, or relevant Successor Index, measuring the rate of inflation in Italy expressed as an index and published by the relevant Index Sponsor.

**“JPY – Non-revised Consumer Price Index Nationwide General Excluding Fresh Food (CPI)”** means the “Non-revised Consumer Price Index Nationwide General Excluding Fresh Food”, or relevant Successor Index, measuring the rate of inflation excluding fresh food in Japan, expressed as an index and published by the relevant Index Sponsor.

**“KRW – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in South Korea, expressed as an index and published by the relevant Index Sponsor.

**“Latest Level”** means the latest Index Level (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the Reference Month in respect of which the Substitute Index Level is being determined.

**“LUX – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor.

**“LUX – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Luxembourg, expressed as an index and published by the relevant Index Sponsor.

**“MXN – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Mexico, expressed as an index and published by the relevant Index Sponsor.

**“MXN – Unidad de Inversion Index (UDI)”** means the “Unidad de Inversion Index”, or relevant Successor Index, reporting the daily peso value of an Unidad de Inversion (an “UDI”), expressed as an index and published by the relevant Index Sponsor.

**“MYR – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Malaysia, expressed as an index and published by the relevant Index Sponsor.

**“NLG – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor.

**“NLG – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in the Netherlands, expressed as an index and published by the relevant Index Sponsor.

**“NOK – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index—All Items”, or relevant Successor Index, measuring the rate of inflation in Norway, expressed as an index and published by the relevant Index Sponsor.

**“NZD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in New Zealand, expressed as an index and published by the relevant Index Sponsor.

**“Observation Date”** means, if specified as applicable in the relevant Final Terms, each date, if any, set forth in the relevant Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the relevant Final Terms.

**“Observation Period”** has the meaning ascribed to it in the relevant Final Terms.

**“PER – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Peru, expressed as an index and published by the relevant Index Sponsor.

**“PLN – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Price Indices of Consumer Goods and Services”, or relevant Successor Index, measuring the rate of inflation in Poland, expressed as an index and published by the relevant Index Sponsor.

**“POR – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Portugal, expressed as an index and published by the relevant Index Sponsor.

**“POR – Harmonised-Non-revised Consumer Price Index (HICP)”** means the “Non-revised Harmonised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Portugal, expressed as an index and published by the relevant Index Sponsor.

**“Rebased Index”** has the meaning given to it in Condition 5(m)(v) of the General Conditions.

**“Reference Level”** means the Index Level (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the Reference Month that is 12 calendar months prior to the Reference Month in respect of the Latest Level.

**“Reference Month”** means the calendar month for which the level of the Index was reported, regardless of when this information is published or announced. If the period for which the Index Level was reported is a period other than a month, the Reference Month shall be the period for which the Index Level was reported.

**“Related Bond”** means, if specified as applicable in the relevant Final Terms, means the bond specified as such in the relevant Final Terms or, if specified as applicable in the relevant Final Terms and no bond is specified therein, the Fallback Bond.

**“Related Bond Redemption Event”** means, if specified as applicable in the relevant Final Terms, at any time prior to the Maturity Date, (i) the Related Bond is redeemed, repurchased or cancelled, (ii) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (iii) 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”** has the meaning given to it in the definition of Delayed Index Level Event.

**“RUB – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Russia, expressed as an index and published by the relevant Index Sponsor.

**“SEK – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in Sweden, expressed as an index and published by the relevant Index Sponsor.

**“SGD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Singapore, expressed as an index and published by the relevant Index Sponsor.

**“SWF – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Switzerland, expressed as an index

and published by the relevant Index Sponsor.

**“Successor Index”** has the meaning given to it in Condition 5(n) of the General Conditions.

**“Substitute Index Level”** means, in respect of a Delayed Index Level Event, the index level determined by the Issuer in accordance with Condition 5(l) of the General Conditions.

**“TRY – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Turkey, expressed as an index and published by the relevant Index Sponsor.

**“TWD – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Consumer Price Index”, or relevant Successor Index, measuring the rate of inflation in Taiwan, expressed as an index and published by the relevant Index Sponsor.

**“USA – Non-revised Consumer Price Index – Urban (CPI-U)”** means the “Non-revised index of Consumer Prices for All Urban Consumers (CPI-U) before seasonal adjustment”, or relevant Successor Index, measuring the rate of inflation in the United States expressed as an index and published by the relevant Index Sponsor.

**“ZAR – Non-revised Consumer Price Index (CPI)”** means the “Non-revised Index of Consumer Prices”, or relevant Successor Index, measuring the rate of inflation in South Africa, expressed as an index and published by the relevant Index Sponsor.

**“ZAR – Non-revised Consumer Price Index Excluding Mortgages (CPIX)”** means the “Nonrevised Index of Consumer Prices excluding Mortgage”, or relevant Successor Index, measuring the rate of inflation excluding mortgages in South Africa, expressed as an index and published by the relevant Index Sponsor.

Any other Index used to measure the inflation shall be defined in the applicable Final Terms.

### 3. Delay in Publication

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

#### *“(l) Delay in Publication*

If the Calculation Agent determines that a Delayed Index Level Event has occurred with respect to any Determination Date, then the Index 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 Determination Date (the “Substitute Index Level”) shall be determined by the Calculation Agent (subject to Condition 5(m)(ii) of the General Conditions) as follows:

- (i) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (ii) 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 Index Level under (i) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:
- (iii)  $\text{Substitute Index Level} = \text{Base Level} \times (\text{Latest Level/Reference Level})$ ; or
- (iv) in accordance with any formula specified in the relevant Final Terms.

The Issuer shall promptly give notice to the holders of the Notes in accordance with Condition 10 of the General Conditions of any Substitute Index Level.”



#### 4. Successor Index

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Successor Index*

If the Calculation Agent determines that the level of an Index is not calculated and announced by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will not longer continue to publish or announce the Index and/or the Index Sponsor cancels the Index then the Calculation Agent shall determine a successor index (a “Successor Index”) (in lieu of any previously applicable Index) for the purposes of the Notes as follows:

- (i) if the Index Sponsor announces that it will no longer publish or announce the Index but that it will be superseded by a replacement Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Index is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Index, such replacement index shall be designated a “Successor Index”;
- (ii) if (i) above does not apply and if Related Bond is specified as applicable in the Final Terms, the successor index (if any) designated pursuant to the terms and conditions of the Related Bond and such successor index shall be designated a “Successor Index”; or
- (iii) if (i) above does apply and if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market shall determine an appropriate alternative index and such index will be deemed a “Successor Index”; or
- (iv) if the Calculation Agent determines that neither (i), (ii) nor (iii) above apply, 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 Index shall be deemed to replace the Index for the purposes of the Notes. Notice of the determination of a Successor Index, the effective date of the Successor Index or the occurrence of an Index Cancellation will be given to holders of the Notes by the Issuer in accordance with Condition 10 of the General Conditions.”

#### 5. Adjustments

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments and Currency*

- (i) Successor Index

If a Successor Index is determined in accordance with Condition 5(n) of the General Conditions, the Issuer may make any adjustment or adjustments (without limitation) to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent deems necessary or, in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice taking into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under such Italian Bonds or Italian

Certificates. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(ii) Substitute Index Level

If the Calculation Agent determines a Substitute Index Level in accordance with Condition 5(l) of the General Conditions, the Issuer may make any adjustment or adjustments (without limitation) to (I) the Substitute Index Level determined in accordance with Condition 5(l) of the General Conditions and/or (II) the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes, in each case, as the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(iii) Index Level Adjustment Correction

(I) The first publication or announcement of the Index Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Condition 5(m)(iii)(II) of the General Conditions, 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 ESPNational- Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Index Level which are published or announced up to and including the day that is two Business Days prior to any relevant Determination Date will be valid and the revised Index Level for the relevant Reference Month will be deemed to be the final and conclusive Index Level for such Reference Month. The Issuer shall give notice to the holders of the Notes of any valid revision in accordance with Condition 10 of the General Conditions.

(II) If, within thirty days of publication or at any time prior to a Determination Date in respect of which an Index Level will be used in any calculation or determination in respect of such Determination Date, the Calculation Agent determines that the Index Sponsor has corrected the Index Level to correct an error which the Calculation Agent determines is material, the Issuer, acting in good faith and in accordance with reasonable market practice, may make any adjustment to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes as the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, deems 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 the Notes of any such adjustment and/or amount in accordance with Condition 10 of the General Conditions.

(III) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Determination Date in respect of which a Substitute Index Level was determined, the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, may either (A) determine that such Relevant Level shall not be used in any calculation or determination under the Notes and that the Substitute Index Level shall be deemed to be the definitive Index Level for the relevant

Reference Month, or (B) request the Issuer to make any adjustment to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other relevant term of the Notes 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 the Notes of any determination in respect of (A) or (B), together with any adjustment or amount in respect thereof, in accordance with Condition 10 of the General Conditions.

(iv) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (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, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes as the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(v) Rebasing

If the Calculation Agent determines that the Index has been or will be rebased at any time, the Index as so rebased (the “Rebased Index”) will be used for purposes of determining the Index Level from the date of such rebasing; provided, however, that the Issuer 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 past levels of the Rebased Index so that the Rebased Index levels prior to the date of rebasing 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 such adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Index before it was rebased, and in each case the Issuer may make any adjustment(s) to the Final Redemption Amount, interest payable under the Notes (if any) and/or any other term of the Notes as the Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, may deem necessary. If the Calculation Agent determines that neither (A) nor (B) above would produce a commercially reasonable result, the Issuer may redeem each Note on a date notified by the Issuer to Noteholders in accordance with Condition 10 of the General Conditions at its fair market value as determined by the Calculation Agent (unless otherwise provided in the relevant Final Terms) as at the date of redemption taking into account the rebasing, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions and provided further that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market. Notice of any adjustment, redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

## (vi) Index Modification

- (I) If, on or prior to the Cut-Off Date in respect of any Determination Date, the Calculation Agent determines that an Index Modification has occurred the Issuer may (A) if Related Bond is specified as applicable in the relevant Final Terms, make any adjustments to the Index, any Index Level and/or any other relevant term of the Notes (including, without limitation, the Final Redemption Amount and/or interest payable under the Notes (if any)), consistent with any adjustments made to the Related Bond as the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, deems necessary, or (B) if Related Bond is specified as not applicable in the Final Terms or a Related Bond Redemption Event has occurred, make only those adjustments to the Index, any Index Level and/or any other term of the Notes (including, without limitation, the Final Redemption Amount and/or interest payable under the Notes (if any)), as the Calculation Agent, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market deems necessary for the modified Index to continue as the Index and to account for the economic effect of the Index Modification.
- (I) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Determination Date, the Issuer, acting in good faith with an aim to preserve the economic equivalent of the obligations of the Issuer with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, 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 Determination Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Determination Date such that the provisions of (I) 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 (I) above.

## (vii) Change in Law

If the Calculation Agent determines that a Change in Law has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with Condition 10 of the General Conditions at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Change in Law, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions and provided further that such costs, expenses, fees or taxes shall not be taken into account with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market. Notice of any redemption of the Notes shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

## (viii) Index Cancellation

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may redeem each Note on the date notified by the Issuer to Noteholders in accordance with Condition 10 of the

General Conditions at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Index Cancellation, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions and provided further that such costs, expenses, fees or taxes shall not be taken into account with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market. Notice of any redemption of the Notes pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.”

## **6. Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by the Index or the Index Sponsor and the Index Sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Index and/or the levels at which the Index stands at any particular time on any particular date or otherwise. The Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and the Index Sponsor is under no obligation to advise any person of any error therein. The Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Index Sponsor in connection with the calculation, adjustment or maintenance of the Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over the Index or the Index Sponsor or any control over the computation, composition or dissemination of the Index. Although the Issuer and the Calculation Agent will obtain information concerning the Index from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Index.

## **7. Related Bond Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by the issuer of the Related Bond and the issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the performance of the Related Bond and/or any amendments, adjustments or modifications to the terms and conditions of the Related Bond, and/or as to the results to be obtained from the use of any value or index level determined or derived with respect to the Related Bond or otherwise. The issuer of the Related Bond shall not be liable (whether in negligence or otherwise) to any person for any error in the index level or any value determined or derived with respect to the Related Bond and such issuer is under no obligation to advise any person of any error with respect thereto. The issuer of the Related Bond has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the issuer of the Related Bond nor any calculation agent in respect thereof shall have any liability to any person for any act or failure to act in connection with the Related Bond.

## PART 2 - FORM OF FINAL TERMS FOR INFLATION LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Inflation Linked Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance SA**  
**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units] "**  
**[Title of Notes]**  
**issued pursuant to a**  
**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Inflation Linked Conditions set forth in Chapter 8, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such

Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only include if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy: The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Bonds" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].*

*[Only include if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy: The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to "Notes" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to "Italian Certificates" and (ii) all references to "Noteholders" in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions (the "General Conditions") set forth in Chapter 2, Part 1 and the Inflation Linked Conditions set forth in Chapter 8, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the General Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs*

or sub-paragraphs. *Italics denote directions for completing the Final Terms.*]

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

1. Issuer ING Belgium International Finance S.A.
2. Guarantor ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●][Units]<sup>u</sup>  
 (i) Tranche: [●][Units]<sup>u</sup>  
 (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note)]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period.*

*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.)]*



- (If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer period and the accrued interests payable by the investors.)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●][1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent.Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest]  
*[specify other]*  
 (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
 [Partly Paid] [Instalment]  
*[specify other]*  
 (further particulars specified below)
14. Change of Interest Basis or Redemption/ [Not Applicable]

Payment Basis: [Applicable] *[Specify details of any provision for change of Notes into another interest or redemption payment basis]*

15. Put/Call Options: [Not Applicable]  
[Noteholder Put] [Issuer Call]  
[(further particulars specified below)]

16. Status of the Notes: Senior

17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*

(i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*

(ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [subject to adjustment in accordance with *[specify Business Day Convention]* (as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or short coupons)*

(iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]

(iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]*

(v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
*[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]*

(vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*  
*(NB: This will need to be amended in the case of regular*

*interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate.Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted)/ Following Business Day Convention (Unadjusted) /Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/Preceding Business Day Convention (Unadjusted)/ *specify other*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]  
 - Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions*
- Interest Determination Date(s): [●]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest*

- Period if EURIBOR or euro LIBOR)*
- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (vii) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (viii) Margin(s): [+/-] [●] per cent. per annum
  - (ix) Minimum Rate of Interest: [●] per cent. per annum
  - (x) Maximum Rate of Interest: [●] per cent. per annum
  - (xi) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA) [Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)]*
  - (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
- 20. Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
  - (ii) Reference Price: [●]

- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/ *specify other*]  
(*Consider applicable Day Count Fraction if not U.S. dollar denominated*)
- 21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
(*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*)
  - (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
(*If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate*)

#### PROVISIONS RELATING TO REDEMPTION

- 22. Issuer Call: [Applicable/Not Applicable] (*If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph*)
  - (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination]  
[Calculation Amount] [Unit] <sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [●]
    - (b) Maximum Redemption Amount of each Note: [●]
  - (iv) Notice period (if other than as set out in the General Conditions): [●]  
(*N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent*)
- 23. Noteholder Put: [Applicable/Not Applicable]

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

- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit] <sup>u</sup>
  - (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit] <sup>u</sup> /specify other]
- (For Italian Certificates only:)
- (i) Renouncement Notice Date: [Not Applicable / specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
[Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
  - (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
  - (iii) Other (Condition 5(k) of the General Conditions): [Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark*

*exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
New Global Note: [Yes/No] (*Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”*)  
[Permanent Global Note not exchangeable for Definitive Notes]  
  
[For Italian Bonds and Italian Certificates cleared through Monte Titoli S.p.A. specify “dematerialised-registration upon issue in the books of Monte Titoli S.p.A.”]
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
(*Note that this paragraph relates to the place of payment and not Interest Period End Dates to which sub-paragraphs 19(i) and 19(iii) relate*)
28. 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/give details]  
(*N.B. A new form of Permanent Global Note may be required for Partly Paid issues*)
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
[specify Calculation Agent if other than Guarantor]  
(*when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.*)  
(*Where not all of the issue is underwritten, indicate the portion not covered*)
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* [specify name [and address]\* of dealer/Not Applicable.

- of relevant Dealer:
- The Notes are not being underwritten by any Dealer(s).  
(i.e. if Notes are to be directly sold by the Issuer)  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the "FINMA") as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**] [Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.**]
35. (i) Simultaneous offer: [Not Applicable/give details]  
(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] ("Public Offer Jurisdictions") during the periods from [specify date] until [specify date] [and from [specify date] until [specify date]]("Offer Period"). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** [specify as applicable or delete if N/A]
- Scheduled Valuation Date: [specify]
  - Primary FX Rate: [specify, including the time of day on which the exchange rate is to be taken] [Not Applicable]
  - Fallback FX Rate: [specify, including the time of day on which the exchange



- rate is to be taken ]/[Not Applicable]
- FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date] [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
  - Unscheduled Holiday Jurisdiction: *[specify] [Not Applicable]*
  - Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]*
  - Relevant Currency: *[specify]*
- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured] [Not Applicable]*
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured] [Not Applicable]*
  - Relevant Benchmark Amount Postponement Provisions: *[Applicable/Not Applicable]*
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days] [In accordance with Condition 15 of the General Conditions]*
  - Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]*
  - Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]*
  - Other: *[Applicable/Not Applicable] [If the Issuer is not to be*

*entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*

- Relevant Jurisdiction: *[specify]* [Not Applicable]

- Other: [Applicable/ Not Applicable] *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*

- Relevant Jurisdiction: *[specify]* [Not Applicable]

- Any changes to Condition 15 (d): *[specify / None]*

### **38. INFLATION LINKED PROVISIONS**

Index: [●]

Index Sponsor: [●]

Related Bond: [Applicable/N/A] *[if applicable, specify if applicable and if nothing further is specified then it will be the Fallback Bond]*

Issuer of Related Bond: [Applicable/N/A] *[if applicable, specify]*

Related Bond Redemption Event: [Applicable/N/A] *[if applicable, specify]*

Averaging Date: [Applicable/N/A] *[if applicable, specify]*

Observation Date: [Applicable/N/A] *[if applicable, specify]*

Expiration Date: [●]

Strike Date: [●]

Strike Price: [●]

Observation Period: [Applicable/Not Applicable] *[if applicable, specify]*

First Publication: [Applicable/Not Applicable]

Substitute Index Level: [As determined in accordance with Condition 5(1)][●]

Cut-Off Date: In respect of a Determination Date, the day that is [●] Business Days prior to such Determination Date.

Business Day Convention: [●]

Change in Law: [Applicable/Not Applicable/specify]

### **PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer

Jurisdictions] [and] listing and admission to trading on the Luxembourg Stock Exchange/ the Italian Stock Exchange/specify relevant regulated market] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

**PART B - OTHER INFORMATION****1. LISTING AND ADMISSION TO TRADING**

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/ Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/ Italian Stock Exchange MOT/Italian Stock Exchange SeDeX/other (specify)] with effect from [●][the first day of “as-if-and-when-issued-trading”].]  
[Not Applicable.]  
*[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \*]*
- (iii) As-if-and-when-issued –trading: [Three Business Days preceding the Issue Date/Not Applicable]
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*
- (v) [Minimum Transferable Amount][applicable only to Italian Certificates to be listed on SeDeX or on other markets which provide so] *[Specify / Not Applicable]*

**2. RATINGS**

- Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Notes has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

**3. [NOTIFICATION]**

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

**4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any

appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for the dealer or distributors, then describe those in this section)*

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

(i) Reasons for the offer

[●]

*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here.)*

(ii) Estimated net proceeds

[●]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

## **6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\**

*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

## **7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\***

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page ] [●]

.]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

## **8. INFORMATION CONCERNING THE UNDERLYING**

*[Need to include description of the underlying and state where information on the past and future performance and volatility of the underlying can be obtained. Unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR100,000 per security need to provide a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

## **9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\***

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

#### **10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

#### **11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

#### **12. OPERATIONAL INFORMATION**

- |        |   |   |
|--------|---|---|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii)   | ISIN CODE:  | [●]   |
| (iii)  | Common Code:  | [●]   |
| (iv)   | Other relevant code:  | [●] [Not Applicable]  |
| (v)    | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme][Monte Titoli] [Other] [Not Applicable]  |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [●]   |
| (viii) | Name and address of Calculation Agent:                                    | [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]  |

#### **13. [FURTHER ADDITIONAL INFORMATION]**

*[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation Italian Bonds or Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.*

*(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)]*

**Notes:**

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 9 - EXCHANGEABLE NOTES

### PART 1 - TERMS AND CONDITIONS OF EXCHANGEABLE NOTES

The terms and conditions applicable to Exchangeable Notes issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Exchangeable Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Exchangeable Conditions, the Exchangeable Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Exchangeable Conditions and (ii) the Final Terms, the Final Terms shall prevail. No Notes issued under the Programme will be exchangeable into Issuer’s shares or group shares.

#### 1. Final Redemption

Subject to (i) the Exchange Right set out in Condition 5(n) of the General Conditions not having been exercised and (ii) any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Condition 5(m) of the General Conditions) the Issuer shall pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means Change in Law and/or Insolvency Filing.

“**Cash Settlement Date**” means the fifth Business Day following the Exchange Date or such other date as may be specified in the Final Terms.

“**Cash Value**” means, unless otherwise specified in the Final Terms, in respect of the relevant Share Amount, the product (rounded up to the nearest lowest unit of the Specified Currency) of the number of Shares comprised in such Share Amount (ignoring any fractions of a Share) and the fair market value of a Share (rounded up to four places of decimals) on the relevant Exchange Date, as determined by the Calculation Agent and less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth 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) 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), the Calculation Agent determines that (X) it has become illegal for the Issuer to hold, acquire or dispose of the Shares, or (Y) the Issuer will incur a materially increased cost in holding, acquiring or disposing of the Shares and/or performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**De-listing**” means that the Exchange announces that pursuant to its rules the Shares have ceased (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 such Shares are 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 any member state of the European Union) and such Shares are no longer listed on an Exchange acceptable to the Issuer.

**“Delivery Day”** means a day, if any, on which Shares comprised in the Share Amount(s) may be delivered to the Noteholders in the manner which the Calculation Agent has determined to be appropriate.

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

**“Disruption Cash Settlement Price”** means in respect of each Note, as applicable, an amount in the Specified Currency equal to the fair market value of the Share Amount, if any, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, all as determined by the Calculation Agent.

**“Early Closure”** means the closure on any Exchange Business Day of the Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“Election Date”** means, if “Cash Settlement Option” is specified as being applicable in the Final Terms, the date on which the Issuer gives notice to the relevant Noteholder of its intention to exercise the option described in Condition 5(n)(ii) of the General Conditions.

**“Exchange”** means the Exchange specified in the Final Terms or otherwise the stock exchange on which the Shares are, in the determination of the Issuer, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Shares has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Shares on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means any Scheduled Trading Day on which the Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or any Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of the Shares, 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, such Shares on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Shares on any Related Exchange.

**“Exchange Expenses”** means any capital, stamp, issue, registration, documentary, transfer or other similar taxes or duties (including penalties) arising on exchange of the Notes and/or on the transfer, delivery or other disposition of any Share Amounts on exercise of any Exchange Right.

**“Exchange Right”** means, in respect of any Note, the right of the holder to exchange the Note into the relevant Share Amount in accordance with the Exchangeable Conditions.

**“Extraordinary Dividend”** means, in respect of the Shares, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Issuer.

**“Final Share Price”** means the Price on the Exchange Date (or such other date as may be specified in the Final Terms), as determined by the Calculation Agent.

**“Fractional Amount”** means any fractional interest in one Share to which a Noteholder would be entitled pursuant to Condition 5(n)(i)(d) of the General Conditions.

**“Fractional Cash Amount”** means, in respect of each Noteholder, the amount (rounded to the nearest smallest transferable unit of the Specified Currency, half such a unit being rounded downwards) calculated by the Calculation Agent in accordance with the following formula and translated into the Specified Currency by the Calculation Agent:

$$\text{Fractional Cash Amount} = (\text{Final Share Price} \times \text{Fractional Amount}).$$

**“Insolvency”** means, in respect of the Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the such Share Issuer, (A) all the Shares of the such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of the such Share Issuer become legally prohibited from transferring them.

**“Insolvency Filing”** means that the Calculation Agent determines that the Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

**“Market Disruption Event”** means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (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.

**“Merger Date”** means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**“Merger Event”** means, in respect of the Shares, 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 exchange of the Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which the such Share Issuer 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% of the outstanding Shares of the Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Share Issuer or its subsidiaries with or into another entity in which the such Share Issuer 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% of the outstanding Shares immediately following such event (a “Reverse Merger”), in each case if the Merger Date is on or before the earlier of the relevant Exchange Date and the Maturity Date (or such other date as may be specified in the Final Terms).

**“Nationalisation”** means that all the Shares of the Share Issuer or all or substantially all the assets of the Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**“New Shares”** means ordinary or common shares, whether of the entity or person (other than the

Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Issuer and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**“Other Consideration”** means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Share Issuer) involved in the Merger Event or a third party).

**“Physical Settlement Date”** means (i) the later of the date falling five Scheduled Trading Days after the relevant Exchange Date and the date, as determined by the Calculation Agent, which is customary for the settlement of trades in Shares effected on the Exchange on the relevant Exchange Date or (ii) such other date as may be specified in the Final Terms.

**“Potential Adjustment Event”** means any of the following:

- (i) a subdivision, consolidation or reclassification of the 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;
- (ii) a distribution, issue or dividend to existing holders of the Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an Extraordinary Dividend;
- (iv) a call by the Share Issuer in respect of the Shares that are not fully paid;
- (v) a repurchase by the Share Issuer or any of its subsidiaries of Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to the Share Issuer, an event that results in any shareholder rights 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, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of the such Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of the Shares.

**“Price”** means, in respect of a Share, on any day, the price of one such Share in the Share Currency quoted on the Exchange as of the Valuation Time on such date as determined by the Calculation Agent.

**“Related Exchange”** means 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 the Shares, or such other options or futures exchange(s) as the Issuer may select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Shares has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Shares on such temporary substitute exchange or quotation system as on the original Related Exchange).

**“Scheduled Closing Time”** means, in respect of the Exchange or a 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 Trading Day”** means any day on which the Exchange and each Related Exchange is scheduled to be open for trading for its regular trading sessions.

**“Settlement Disruption Event”** means an event determined by the Calculation Agent to be beyond the control of the Issuer as a result of which the Issuer cannot transfer or deliver (or it would be contrary to applicable laws and regulations or any official declaration, order or directive in any applicable jurisdiction for the Issuer to transfer or deliver) the Shares comprised in the Share Amount(s) in accordance with the terms and conditions of the Notes.

**“Share Amount”** means, in respect of each Note, the number of Shares specified in the Final Terms.

**“Share Currency”** has the meaning ascribed to it in the Final Terms.

**“Share Issuer”** has the meaning ascribed to it in the Final Terms.

**“Shares”** has the meaning ascribed to it in the 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 10% and less than 100% of the outstanding voting shares of the Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Issuer deems relevant.

**“Tender Offer Date”** means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**“Trading Disruption”** means any suspension of or limitation imposed on trading by the Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Exchange or such Related Exchange or otherwise (i) relating to the Shares on such Exchange, or (ii) in futures or options contracts relating to the Shares on a Related Exchange.

**“Valuation Time”** means the Scheduled Closing Time on the Exchange on the relevant date. If the Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that any Exchange Date is a Disrupted Day, then such Exchange Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Issuer of the occurrence of a Disrupted Day, would have been such Exchange Date is a Disrupted Day. In that case:

- (a) that eighth Scheduled Trading Day shall be deemed to be such Exchange Date in respect of the Shares, notwithstanding the fact that such day is a Disrupted Day; and

- (b) the Calculation Agent shall determine the price of one Share as its good faith estimate of the price of one Share that would have prevailed, but for the occurrence of a Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day.”

#### 4. Adjustments

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments, Consequences of Certain Events and Currency*

##### (i) Adjustments

If the Calculation Agent determines that a Potential Adjustment Event has occurred or that there has been an adjustment to the settlement terms of listed contracts on the Shares traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) require the Issuer to make the corresponding adjustment(s), if any, to any one or more of the Final Redemption Amount and/or the Exchange Right and/or any of the terms and conditions of the Notes as the Calculation Agent 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 dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the Shares traded on that options exchange.

##### (ii) Consequences of a Merger Event

If the Calculation Agent determines that a Merger Event has occurred, the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Merger Date, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment; and/or
- (c) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the “Shares” and the “Share Issuer”, respectively, and if the Calculation Agent determines to be appropriate, the Issuer will adjust any relevant terms of the Notes as the Calculation Agent may determine.

The Issuer shall give notice of such redemption, adjustment or deemed change to Noteholders in accordance with Condition 10 of the General Conditions.

## (iii) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred, then on or after the relevant Tender Offer Date the Issuer may:

- (a) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Tender Offer Date, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, on such date as the Issuer may notify to Noteholders in accordance with Condition 10 of the General Conditions; and/or
- (b) make such adjustment to the exercise, settlement, payment or any other term or condition of the Notes as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Notes), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the Shares traded on such options exchange and determine the effective date of that adjustment.

The Issuer shall give notice of such redemption or adjustment to Noteholders in accordance with Condition 10 of the General Conditions.

## (iv) Nationalisation, Insolvency or De-listing

If in respect of the Shares or the Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may (i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of the Final Redemption Amount and/or the Exchange Right and/or any of the other terms and conditions of the Notes to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment or (ii) require the Issuer to redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions. Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

## (v) Change of Exchange

If the Exchange is changed, the Issuer may make such consequential modifications to the Final Redemption Amount, Exchange Right, Valuation Time and such other terms and conditions of the Notes as it may deem necessary.

## (vi) Price Correction

In the event that any price or level published on the Exchange and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the Exchange within three Business Days (or such other period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

## (vii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the Share Currency (whether relating to the convertibility of any such currency into other currencies or

otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Exchange Right and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer), the Issuer Calculation Agent may make such adjustment or adjustments to the Final Redemption Amount, Exchange Right and/or any other relevant term of the Notes as it deems necessary. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(viii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions. Notice of any redemption of the Notes or determination pursuant to this paragraph shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ix) Change in currencies

If, at any time after the Issue Date, there is any change in the Share Currency, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines appropriate to preserve the economic terms of the Notes. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.”

## 5. Exchange Right

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Exchange Right*

(i) Exchange Periods and Exchange Rights

(a) Exchange Right

Holders of Notes have the right (the “Exchange Right”) to exchange their Notes for their respective Share Amount(s) at any time during the Exchange Period referred to below. Upon exchange, the right of the exchanging holder of Notes to repayment of the Note(s) to be exchanged shall be extinguished and released, and in consideration and in exchange thereof the Issuer shall deliver or procure the delivery of the relevant Share Amount(s) as provided herein.

(b) Exchange Period

Subject to and upon compliance with these Conditions, the Exchange Right attaching to any Note may be exercised by the holder thereof, at any time during such Exchange Period as may be specified in the Final Terms or, if no Exchange Period is so specified, at any time during the period (the “Exchange Period”) from and including the Issue Date to and including the earlier to occur of:

- (x) the close of business (at the place where such Note is deposited for exchange) on the eighth Business Day prior to the Maturity Date; and

- (y) if such Note shall have been called for redemption before the Maturity Date, the close of business (at the place where such Note is deposited for exchange) on the day which is eight Business Days before the date fixed for redemption thereof.

- (c) Entitlement upon Exchange

Upon a due exercise of Exchange Rights the relevant holder of Notes shall be entitled to receive the Share Amount.

- (d) Fractions

The Share Amount to which a Noteholder may be entitled will be determined on the basis of the separate (for the avoidance of doubt, not aggregate) number of Notes held by the Noteholder. The Issuer shall not be obliged to deliver fractions of a Share but shall be obliged to account for the Fractional Cash Amount of any such fractions to the relevant Noteholder on the Physical Settlement Date and any such fractions will be rounded down to the nearest whole multiple of a Share.

- (ii) Cash Settlement Option

- (a) Election

If “Cash Settlement Option” is specified as being applicable in the Final Terms, the Issuer shall be entitled upon the delivery of an Exchange Notice by a holder of Notes to redeem all or some only of the Notes which are the subject of the Exchange Notice for the Cash Value of the relevant Share Amount in respect of the relevant Notes, provided that the Election Date in respect thereof falls within three Business Days of the relevant Exchange Date.

- (b) Cash Settlement

If the Issuer gives a notice in accordance with Condition 5(n)(ii)(a) of the General Conditions, the Notes the subject of the relevant Exchange Notice will be redeemed by the Issuer by payment of the relevant Cash Value, together with repayment of any amount in respect of Exchange Expenses tendered with the relevant Exchange Notice, on the relevant Cash Settlement Date to the account specified in the relevant Exchange Notice as provided in Condition 5(n)(iii)(g) of the General Conditions.

- (iii) Procedure for Exchange

- (a) Exchange Notice

To exercise the Exchange Right attaching to any Note, the holder thereof must at its own expense complete, execute and deposit at the office of any Paying Agent during normal business hours on any Business Day in the place of such office during the Exchange Period, a notice of exchange (an “Exchange Notice”) in the form (for the time being current) obtainable from the office of each Paying Agent, together with such Note and any Exchange Expenses. An Exchange Notice once delivered shall be irrevocable. The Exchange Right attaching to any Note may only be exercised in respect of the whole of the nominal principal amount of the Note.

- (b) Non-US certification

A holder of Notes exercising Exchange Rights will be required to certify in the relevant Exchange Notice that such exchange is being effected outside of the United States (as such term is defined in Regulation S (“Regulation S”) under the Securities Act) and it and any person for whom it is acquiring any Shares Amount(s) is not a U.S. person (as such term is defined in Regulation S) and it is not acting as agent for, or on behalf of, a U.S. person.



## (c) Exchange Date

The exchange date in respect of a Note (the “Exchange Date”) in respect of which the Exchange Right shall have been exercised by a holder of Notes will be the first Business Day which is an Exchange Business Day following the date of the delivery of the duly completed and executed Exchange Notice and the relevant Note and, if applicable, any payment or indemnity required to be made or given under these Conditions in connection with the exercise of such Exchange Right.

Noteholders should note, in relation to Notes held in a clearing system, that such Notes will likely be presented and the Exchange Notice in respect thereof delivered on behalf of Noteholders by such clearing system and that holders of Notes held in such clearing system will be required to instruct such clearing system to present such Notes and to deliver such Exchange Notice not later than such deadline as may be fixed by such clearing system (which may be prior to the date on which such Exchange Notice is to be delivered).

## (d) Exchange Expenses

A holder of Notes exercising Exchange Rights must pay any Exchange Expenses or provide an indemnity in respect thereof in such form as the Issuer may reasonably require.

## (e) Settlement

Following the due exercise of any Exchange Right, unless the Issuer elects to pay the Cash Value as provided above, the Issuer shall, subject to Condition 5(n)(iii)(f) of the General Conditions, on the Physical Settlement Date, deliver or procure the delivery of the relevant Share Amount to such account in such Clearing System as may be specified by the relevant Noteholder at the risk and expense of the relevant Noteholder. If a Noteholder does not provide the Issuer with sufficient instructions in a timely manner to enable the Issuer to effect any required delivery of Shares, the due date for such delivery shall be postponed accordingly. The Issuer shall determine whether any instructions received by it are sufficient and whether they have been received in time to enable delivery on any given date. As used herein, “delivery” in relation to any Share Amount means the carrying out of the steps required of the Issuer (or such person as it may procure to make the relevant delivery) in order to effect the transfer of the relevant Share Amount and “deliver” shall be construed accordingly. The Issuer shall not be responsible for any delay or failure in the transfer of such Share Amount once such steps have been carried out, whether resulting from settlement periods of clearing systems, acts or omissions of registrars or otherwise and shall have no responsibility for the lawfulness of the acquisition of the Shares comprising the Share Amount or any interest therein by any holder of Notes or any other person.

In respect of each Share comprising the Share Amount, the Issuer shall not be under any obligation to register or procure the registration of a Noteholder or any other person as the registered shareholder in any register of members of the Share Issuer.

Noteholders should note that the actual date on which they become holders of the Shares comprising their Share Amount will depend, among other factors, on the procedures of the relevant clearing systems and share registrar and the effect of any Settlement Disruption Events.

Neither the Issuer nor any other person shall (i) be under any obligation to deliver (or procure any other person to deliver) to the Noteholders or any other person, any letter, certificate, notice, circular or any other document received by that person in its capacity as the holder of any Shares, (ii) be under any obligation to exercise or procure exercise of any or all rights (including voting rights) attaching to the Shares or (iii) be under any liability to the

Noteholders or any subsequent beneficial owner of such Shares in respect of any loss or damage which any such Noteholder or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of that person being registered at any time as the legal owner of such Shares.

(f) Settlement Disruption

If the Calculation Agent determines that delivery of any Share Amount in respect of any Note by the Issuer in accordance with the Conditions is not practicable or permitted by reason of a Settlement Disruption Event subsisting, then the Physical Settlement Date in respect of such Note shall be postponed to the first following Delivery Day in respect of which no such Settlement Disruption Event is subsisting and notice thereof shall be given to the relevant Noteholder by mail addressed to it at the address specified in the relevant Exchange Notice or in accordance with Condition 10 of the General Conditions provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Note by delivering or procuring the delivery of such Share Amount using such other commercially reasonable manner as it may select and in such event the Physical Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of such Share Amount in such other commercially reasonable manner. No Noteholder shall be entitled to any payment whether of interest or otherwise on such Note in the event of any delay in the delivery of the Share Amount pursuant to this paragraph and no liability in respect thereof shall attach to the Issuer.

Where a Settlement Disruption Event affects some but not all of the Shares comprising the Share Amount, the Physical Settlement Date for the Shares comprising such Share Amount but not affected by the Settlement Disruption Event will be the originally designated Physical Settlement Date.

For so long as delivery of the Share Amount in respect of any Note is not practicable or permitted by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of each relevant Note by payment to the relevant Noteholder of the Disruption Cash Settlement Price on the third Business Day following the date that notice of such election is given to the Noteholders in accordance with Condition 10 of the General Conditions. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Noteholders in accordance with Condition 10 of the General Conditions.

The Issuer shall give notice as soon as practicable to the Noteholders in accordance with Condition 10 of the General Conditions if a Settlement Disruption Event has occurred.

(g) Specified account

A Noteholder shall, in the relevant Exchange Notice, specify an appropriate account with a bank to which any cash amount payable on or in respect of the relevant exercise of Exchange Rights by that Noteholder (including any Cash Value, Disruption Cash Settlement Price or Realisation Proceeds) shall be credited and the Issuer shall pay such sum to the relevant Noteholder in accordance with such directions.

(iv) Title to Share Amount(s)

All Share Amounts transferred or delivered upon exercise of Exchange Rights shall be transferred or delivered with full title guarantee.

(v) Release from Share Amount(s)

Upon delivery of Share Amounts to the relevant holder of Notes or upon payment of the relevant Cash Value or Disruption Cash Settlement Price or upon redemption of the Notes or upon any purchase and cancellation of the Notes, that Noteholder's entitlement to the relevant Share Amount(s) or the relevant part thereof attributable to each relevant Note shall cease to exist.

(vi) Voting Rights

A Noteholder shall have no voting rights in respect of any Shares prior to the delivery or transfer thereof to the relevant Noteholder and the completion of any other formalities, registrations or the like in connection therewith."

**6. Prescription**

For the avoidance of doubt, Condition 7 of the General Conditions shall apply to the Notes and claims for delivery of any Share Amount in respect of the Notes shall become void upon the expiry of five years from the Physical Settlement Date.

## PART 2 - FORM OF FINAL TERMS FOR EXCHANGEABLE NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Exchangeable Notes issued under the Programme.*

**ING Belgium International Finance SA**  
**Issue of [Aggregate Nominal Amount of Tranche] [ Number of units] " [Title of Notes]**  
**issued pursuant to a**  
**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Exchangeable Conditions set forth in Chapter 9, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus")] [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any

Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the Exchangeable Conditions set forth in Chapter 9, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus"). This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]

*Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.*

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## GENERAL DESCRIPTION OF THE NOTES

- |                         |  |
|-------------------------|--|
| 1. Issuer               | ING Belgium International Finance S.A. |
| 2. Guarantor            | ING Belgium SA/NV                      |
| 3. [(i)] Series Number: | [●]                                    |
| [(ii)] Tranche Number:  | [●]                                    |
- (If fungible with an existing Series, details of that Series,*

- including the date on which the Notes become fungible)]*
4. Specified Currency or Currencies: [●]
  5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●] [Units]<sup>u</sup>
    - (i) Tranche: [●][Units]<sup>u</sup>
    - (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
  6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* *(in the case of fungible issues only, if applicable)*] [plus accrued interest of [●] in respect of the [notes/bonds] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes *(if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Note))* [[●] per Unit]<sup>u</sup>
  7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period. Notification process of such decision.]*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.))]*  
*(If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors).*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*  
*[See further paragraph 35]*
  8. Details of minimum and maximum [Applicable/Not Applicable]

- amount of application: *(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●] [1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination, or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: *[Fixed rate - specify date/Floating rate - Interest Payment Date falling in or nearest to [specify month and year]]*
12. Interest Basis: [[●] per cent- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate]  
 [Zero Coupon] [Dual Currency Interest][Variable-linked Interest]  
*[specify other]*  
 (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
 [Partly Paid] [Instalment]  
*[specify other]*  
 (further particulars specified below)
14. Change of Interest Basis or Redemption/ Payment Basis: [Not Applicable]  
 [Applicable][Specify details of any provision for change of Notes into another interest or redemption payment basis]
15. Put/Call Options: [Not Applicable]  
 [Noteholder Put] [Issuer Call]  
 [(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending Condition 3 of the General Conditions)*

- (ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]/[specify other] [, subject to adjustment in accordance with [specify *Business Day Convention*] (as defined in Condition 3(b) of the General Conditions)]  
(NB: This will need to be amended in the case of long or short coupons)
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed Interest Period, as defined in Condition 3(a) of the General Conditions, the Fixed Coupon Amount will be an amount equal to the [Specified Denomination/Calculation Amount] multiplied by the Rate of Interest multiplied by the Day Count Fraction with the resultant figure being rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded [upwards/downwards]]
- (iv) Broken Amount(s): [Insert particulars of any initial or final broken interest amounts per Specified Denomination (or Calculation Amount if one is specified in these Final Terms) which do not correspond with the Fixed Coupon Amount[s] and specify which Interest Payment Date(s) they are payable on]
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or specify other]  
[If using Day Count Fraction other than 30/360 or Bond Basis or Actual/Actual (ICMA), then either define it here or (if it is used in Condition 3(b) of the General Conditions) specify it has the meaning ascribed in Condition 3(b) of the General Conditions.]
- (vi) Determination Date(s): [●] in each year  
[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]  
(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)  
(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))
19. **[Floating Rate/Variable-linked Interest] Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Specified Period(s)/Specified [●]



## Interest Payment Dates:

- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted) /Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention(Adjusted)/Preceding Business Day Convention (Unadjusted)/ *[specify other]*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
  - Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other; although additional information is required if other including fallback provisions in the General Conditions)*
  - Interest Determination Date(s): [●]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*
  - Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (vii) ISDA Determination: [Applicable/Not Applicable]
  - Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (viii) Margin(s): [+/-] [●] per cent. per annum
- (ix) Minimum Rate of Interest: [●] per cent. per annum
- (x) Maximum Rate of Interest: [●] per cent. per annum
- (xi) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360, Bond Basis; 30E/360 Eurobond Basis; 30E/360 (ISDA) [Other - *specify*]

- (see Condition 3 of the General Conditions for alternatives)]
- (xii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))
20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)  
(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)
- (ii) Reference Price: [●]
- (iii) Any other formula/basis of determining amount payable: [●]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/specify other]  
(Consider applicable Day Count Fraction if not U.S. dollar denominated)
21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
- (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]

- (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
*[If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate]*

#### PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable] *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) If redeemable in part:
- (a) Minimum Redemption Amount of each Note: [●]
- (b) Maximum Redemption Amount of each Note: [●]
- (iv) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]  
*(N.B. formula to specify any multiplier, if applicable)*
25. Other:
- (i) Early Redemption Amount of [●]

each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions):

[Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]

*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*

*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Notice period (if other than as set out in the General Conditions):

[●]

*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

- (iii) Other (Condition 5(k) of the General Conditions):

[Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes:  
New Global Note:

[Bearer Notes:

[Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*

[Permanent Global Note not exchangeable for Definitive Notes]

27. Additional Financial Centre(s) or other special provisions relating to Payment Days:

[Not Applicable/give details]

*(Note that this paragraph relates to the place of payment and not Interest Period End Dates to which sub-paragraphs 19(i) and 19(iii) relate)*

28. 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/give details]

*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*

29. Details relating to Instalment Notes:

- (i) Instalment Amount(s):

[Not Applicable/give details]

- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
[specify Calculation Agent if other than Guarantor]  
(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)  
(Where not all of the issue is underwritten, indicate the portion not covered)
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [specify name [and address]\* of dealer/Not Applicable.  
The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]  
[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.**]
35. (i) Simultaneous offer: [Not Applicable/give details]

*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*

(ii) Non-exempt offer:

[Not Applicable] [An offer of Notes may be made by the Managers [and *[specify, if applicable]*] other than pursuant to Article 3(2) of the Prospectus Directive in *[specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported]* ("Public Offer Jurisdictions") during the period from *[specify date]* until *[specify date]* ("Offer Period"). See further paragraph 7.

36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]

37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**

(i) **FX Provisions:**

*[specify as applicable or delete if N/A]*

- Scheduled Valuation Date: *[specify]*
- Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- FX Market Disruption Event period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
- Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date]* [In accordance with Condition 15 of the General Conditions]
- Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
- Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
- Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
- Relevant Currency: *[specify]*

- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]/[Not Applicable]*
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]/[Not Applicable]*
  - Relevant Benchmark Amount Postponement Provisions: *[Applicable/Not Applicable]*
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* *[In accordance with Condition 15 of the General Conditions]*
  - Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* *[In accordance with Condition 15 of the General Conditions]*
  - Relevant Currency: *[specify]*
- (iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]*
  - Other: *[Applicable / Not Applicable]* *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]* *[Not Applicable]*
  - Other: *[Applicable/Not Applicable]* *[If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*
- (v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*
- Relevant Currency: *[specify]*
  - Relevant Jurisdiction: *[specify]* *[Not Applicable]*
  - Any changes to Condition 15 (d): *[specify/None]*

### 38. EXCHANGEABLE PROVISIONS

*[the following apply to Exchangeable Notes only:]*

Business Day:	<i>[specify as a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) the TARGET System is operating]].</i>
Cash Settlement Date:	<i>[specify if other than as provided for in the Conditions]</i>
Cash Settlement Option:	<i>[Applicable/Not Applicable]</i>
Cash Value:	<i>[If applicable, specify if other than as provided for in the Conditions]</i>
Exchange:	<i>[●]</i>
Exchange Period:	<i>[specify if other than as provided for in the Conditions]</i>
Exchange Property:	<i>[specify number of Shares]</i>
Physical Settlement Date:	<i>[specify if other than as provided for in the Conditions]</i>
Share Amount	<i>[specify as [●] number of Shares per [●] in nominal amount of Notes]</i>
Share Currency:	<i>[specify as [●].]</i>
Share Issuer:	<i>[specify as [●].]</i>
Shares:	<i>[Insert name and short description of shares] (ISIN: [●]).] (No Notes issued under the Programme will be exchangeable into Issuer's shares or group shares.) [Insert any other relevant terms]]</i>

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on the Luxembourg Stock Exchange/*specify relevant regulated market*] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

## PART B - OTHER INFORMATION



**1. LISTING AND ADMISSION TO TRADING**

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/other (specify)] with effect from [●][the first day of “as-if-and-when-issued-trading”].]  
[Not Applicable.]  
[*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.) \**]
- (iii) As-if-and-when-issued-trading: [Three Business Days preceding the Issue Date/Not Applicable]
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*

**2. RATINGS**

- Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Notes has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

**3. [NOTIFICATION]**

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

**4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

- [ (i) Reasons for the offer [•]]  
*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*
- [ (ii) Estimated net proceeds [•]  
*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*
- [ (iii) Estimated total expenses [•]. [Include breakdown of expenses]  
*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*  
*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

## 6. [YIELD (Fixed Rate Notes only)]

- Indication of yield: [•]  
 [Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\*  
 As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

## 7. [HISTORIC INTEREST RATES (Floating Rate Notes only)]\*

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [•].]  
*If the Notes have a derivative component in the interest payment (as described in paragraph 11 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

## 8. INFORMATION CONCERNING THE UNDERLYING

*[Need to include details of where information on the past and future performance and volatility of the underlying shares can be obtained, the name of the issuer(s) of the underlying share(s) and ISIN/other identification code of the underlying share(s) and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

## 9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)]\*

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

## 10. [RESULTS OF THE OFFER]

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are*

*to be made public]*

## 11. POST-ISSUANCE INFORMATION

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

## 12. OPERATIONAL INFORMATION

- |        |   |  |
|--------|---|--|
| (i)    | Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][ <i>include this text if “yes” selected in which case the Notes must be issued in New Global Note form</i> ] |
| (ii)   | ISIN CODE:  | [•]  |
| (iii)  | Common Code:  | [•]  |
| (iv)   | Other relevant code:  | [•] [Not Applicable]   |
| (v)    | Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Other] [Not Applicable]   |
| (vi)   | Delivery  | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>  |
| (vii)  | Names and addresses of additional Paying Agent(s) (if any):               | [•]  |
| (viii) | Name and address of Calculation Agent:                                    | [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels]<br>[Other]  |

### Notes:

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 10 – COMMODITIES LINKED NOTES

### PART 1(A): TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE COMMODITY OR COMMODITY FUTURE

The terms and conditions applicable to Notes linked to a single commodity or commodity future issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Single Commodity Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Commodity Linked Conditions, the Single Commodity Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 5(l) and 5(m) of the General Conditions) the Issuer shall pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption and/or such other event (if any) specified in the Final Terms.

“**Affected Commodity**” has the meaning given to it in paragraph 3 below.

“**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.

“**Aluminium**” means high-grade primary aluminium.

“**Aluminium – COMEX**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per pound of Aluminium on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date or Valuation Date.

“**Aluminium-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**Argus**” means the Argus Crude Report, or any successor publication, published by Argus Media Limited or its successor.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or the Calculation Amount if one is

specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

**“Automatic Early Redemption Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Automatic Early Redemption Event”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each event specified as such in the Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Commodity Business Day or a Bullion Business Day in respect of the Specified Commodity, as applicable, the next following Commodity Business Day or a Bullion Business Day, as applicable, in respect of the Specified Commodity, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Averaging Dates”** means each of the dates set forth in the Final Terms, if any, or if any such date is not a Commodity Business Day or Bullion Business Day, as applicable, in respect of the Specified Commodity the next following Commodity Business Day or Bullion Business Day, as applicable, in respect of the Specified Commodity, in each case subject to Condition 5(l) of the General Conditions.

**“Bullion”** means Gold, Silver, Platinum or Palladium, as the case may be.

**“Bullion Business Day”** means, in respect of any Commodity Linked Notes for which the Specified Commodity is Bullion, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in the location where payment is to be made.

**“Bullion Reference Dealers”** means, with respect to any Bullion for which the relevant Commodity Reference Price is “Commodity Reference Dealers”, the four major dealers that are the members of the LBMA specified in the Final Terms, or if no such Bullion Reference Dealers are specified, as selected by the Calculation Agent, in each case, acting through their principal London offices.

**“Calculation Agent Determination”** means that the Calculation Agent will determine the Commodity Reference Price (or a method for determining the Commodity Reference Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

**“Change in Law”** means that on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) to hold, acquire or dispose of the Commodity or to enter into transactions on or relating to the Commodity (including without limitation, futures contracts) or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of the Commodity, (ii) maintaining, entering into or

unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**COMEX**” means the COMEX Divisions, or its successor, of the New York Mercantile Exchange, Inc., or its successor.

“**Commodity**” means the commodity specified in the relevant Commodity Reference Price, or otherwise the Specified Commodity.

“**Commodity Business Day**” means (a) in respect of the Specified Commodity (provided the Specified Commodity is not Bullion) if the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and (b) in respect of the Specified Commodity (provided the Specified Commodity is not Bullion) if the Commodity Reference Price is not a price announced or published by an Exchange, 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.

“**Commodity Reference Dealers**” means that the price for a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be determined on the basis of quotations provided by Reference Dealers or Bullion Reference Dealers, as applicable, on that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, of that day’s Specified Price for a unit of the relevant Commodity for delivery on the Delivery Date, if applicable. If four quotations are provided as requested, the price for that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer or Bullion Reference Dealer, as applicable, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be the Specified Price provided by the relevant Reference Dealer or Bullion Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value and lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, cannot be determined.

“**Commodity Reference Price**” means the reference price or spot price for the Specified Commodity specified in the Final Terms.

“**Copper**” means copper-grade A.

“**Copper-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Copper on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**Copper-COMEX**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per pound of high grade copper on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by COMEX on that Pricing Date or Valuation Date.

“**Delayed Publication or Announcement**” means, in respect of the Affected Commodity, that the Relevant Commodity Price for the relevant Pricing Date, Strike Date, Averaging Date, Automatic Early Valuation Date or Observation Date will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date, Strike Date, Automatic Early Valuation Date or Observation

Date that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day or Bullion Business Day, as applicable, on which the relevant Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable) or the Relevant Commodity Price continues to be unavailable for two consecutive Commodity Business Days or Bullion Business Days, as applicable. In that case, the next Disruption Fallback specified in the Final Terms will apply. If, as a result of a delay pursuant to Delayed Publication or Announcement, a Relevant Commodity Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior to the Scheduled Maturity Date, then the Maturity Date will be delayed by the same number of Commodity Business Days or Bullion Business Days, as the case may be, as was the determination of each Relevant Commodity Price provided that the Maturity Date shall not be any earlier than the second Business Day after the date that the Relevant Commodity Price of the Affected Commodity is determined in accordance with the provisions of hereof.

**“Delivery Date”** means, in respect of a Commodity Reference Price, the Nearby Month of expiration of the relevant Futures Contract or the relevant date or month for delivery of the underlying (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 a date is, or a month and year are, specified in the Final Terms, that date or that month and year;
- (B) if a Nearby Month is specified in the Final Terms, the month of expiration of the relevant Futures Contract; and
- (C) if a method is specified for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method,

As determined by the Calculation Agent.

**“Disappearance of Commodity Reference Price”** means, in respect of a Relevant Commodity Price, (A) the permanent discontinuation of trading in the Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the Specified Commodity; or (C) the disappearance or permanent discontinuance or unavailability of the relevant Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract or Specified Commodity.

**“Disruption Fallback”** means, any of Fallback Reference Dealers, Fallback Reference Price, Postponement, Calculation Agent Determination and Delayed Publication or Announcement, specified to be applicable in the Final Terms and in the order specified in the Final Terms.

**“Exchange”** means, in respect of the Specified Commodity, the exchange or principal trading market specified in the definition of Commodity Reference Price.

**“Fallback Reference Dealers”** means that the Relevant Commodity Price, in respect of an Affected Commodity, will be determined in accordance with the Commodity Reference Price, “Commodity-Reference Dealers”.

**“Fallback Reference Price”** means that the Calculation Agent will determine the Relevant Commodity Price, in respect of an Affected Commodity, based on the price for the relevant Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, of the first alternate Commodity Reference Price, if any, specified in the Final Terms and not subject to a Market Disruption Event.

**“Futures Contract”** means, in respect of any 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 (if any).

**“Gold”** means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**“Gold-A.M. Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s morning Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. Dollars, as determined by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Gold-P.M. Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Gold-COMEX”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per troy ounce of gold on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. Dollars, as made public by the COMEX on that Pricing Date or Valuation Date.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the purchase and/or sale of any Commodity and any associated foreign exchange transactions.

**“Hedging Disruption Event”** means, (i) any event in connection with which the Issuer, the Guarantor or any of its Affiliates is (or would be) unable, after using commercially reasonable efforts to hold, acquire or dispose of any Commodity or to enter into, maintain, re-establish or unwind any Hedging Arrangement; (ii) any event in connection with which the Issuer, the Guarantor or any of its Affiliate is (or would be) unable, after using commercially reasonable efforts to realise, recover or remit the proceeds of any Commodity and/or Hedging Arrangement; and/or (iii) any other event specified as such in the applicable Final Terms.

**“LBMA”** means the London Bullion Market Association or its successor.

**“Lead”** means standard lead.

**“Lead-LME Cash”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

**“LME”** means The London Metal Exchange Limited or its successor.

**“LPPM”** means the London Platinum and Palladium Market or its successor.

**“Market Disruption Event”** means the occurrence, with respect to the Specified Commodity, of a Price Source Disruption, a Trading Disruption, a Disappearance of Commodity Reference Price, a Tax Disruption, a Material Change in Content or a Material Change in Formula or an Early Closure if so specified in the Final Terms or such other event as may be specified in the Final Terms.

**“Material Change in Content”** means the occurrence since the Issue Date of a material change in the content, composition or constitution of the Specified Commodity or relevant Futures Contract.

**“Material Change in Formula”** means the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

**“Nearby Month”**, when preceded by a numerical adjective, means, in respect of a Delivery Date and/or Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, the month of expiration of the Futures Contract identified by that numerical adjective, so that: (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that date; (ii) “Second Nearby Month” means the month of expiration of the



second Futures Contract to expire following that date; and, for example, (iii) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that date.

“**Nickel**” means primary nickel.

“**Nickel-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**NYMEX**” means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

“**Observation Date**” means each date, if any, specified as such in the Final Terms, or if any such date is not a Commodity Business Day or Bullion Business Day, as applicable, in respect of the Specified Commodity the next following Commodity Business Day or Bullion Business Day, as applicable, in respect of the Specified Commodity.

“**Observation Period**” has the meaning given to it in the Final Terms.

“**Oil**” means West Texas Intermediate light sweet crude oil.

“**OIL-WTI-Argus**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil for delivery on the applicable Delivery Date, stated in U.S. Dollars, published under the heading “Key Crude Assessments: Houston 17.00 hrs: Cash WTI” in the issue of Argus that reports prices effective on that Pricing Date or Valuation Date.

“**Oil-WTI-Platts Marketwire**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil, stated in U.S. Dollars, published under the heading “US Domestic, Delivered US Gulf and Latin America spot assessments: WTI (delivery month)” in the issue of Platts Marketwire that reports prices effective on that Pricing Date or Valuation Date.

“**Oil-WTI-NYMEX**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date or Valuation Date.

“**Ounce**” means, in the case of Gold, a fine troy ounce, and in the case of Silver, Platinum and Palladium, a troy ounce.

“**Palladium**” means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“**Platinum**” means ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

“**Platts Marketwire**” means Platts Crude Oil Marketwire, or any successor publication published by The McGraw-Hill Companies Inc. or its successor.

“**Postponement**” means, with respect to the Specified Commodity, that the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day or Bullion Business Day, as applicable, on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist for two consecutive Commodity Business Days or Bullion Business Days, as applicable, (measured from and including the original day that would otherwise have been the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable). In that case, the next applicable Disruption Fallback specified will apply. If, as a result of a postponement pursuant to this provision, a Relevant Commodity Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior

to the Scheduled Maturity Date, then the Maturity Date will be postponed by the same number of Commodity Business Days or Bullion Business Days as was the determination of each Relevant Commodity Price, provided that the Maturity Date shall not be any earlier than the second Business Day after the date that the Relevant Commodity Price of the Affected Commodity is determined in accordance with the provisions of this Chapter 10.

**“Price Materiality Percentage”** means the percentage specified in the Final Terms (if any).

**“Pricing Date”** means the date specified in the Final Terms, provided that if the Pricing Date is not a Commodity Business Day in respect of the Specified Commodity (unless the Specified Commodity is Bullion) or a Bullion Business Day (if the Specified Commodity is Bullion), the Pricing Date shall be adjusted in accordance with the Following Business Day Convention, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Price Source”** means, in respect of the Specified Commodity, the publication (or such other origin of reference, including an Exchange) 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, in respect of the Specified Commodity, (A) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price of such Specified Commodity) for the relevant Commodity Reference Price; (B) the temporary or permanent discontinuance or unavailability of the Price Source; (C) if the Commodity Reference Price is “Commodity Reference Dealers”, the failure to obtain at least three quotations as requested from the relevant Reference Dealers; or (D) if a Price Materiality Percentage is specified in the Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price “Commodity Reference Dealers” by such Price Materiality Percentage.

**“Reference Dealers”** means, other than in respect of Bullion, for which the relevant Commodity Reference Price is “Commodity Reference Dealers”, the four dealers specified in the Final Terms or, if dealers are not so specified, four leading dealers in the relevant market selected by the Calculation Agent.

**“Relevant Commodity Price”** means the price determined on any day for the specified Commodity Reference Price.

**“Scheduled Maturity Date”** means the date specified in the Final Terms.

**“Silver”** means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**“Silver-COMEX”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per troy ounce of Silver on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date or Valuation Date.

**“Silver-Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. cents, as calculated by the London Silver Market and displayed on Reuters Screen page “SIFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Specified Commodity”** means, the commodity or commodity future specified in the Final Terms.

**“Specified Price”** means, in respect of a 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 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; or (O) any other price specified in the Final Terms.

“**Strike Date**” means the date (if any) specified as such in the Final Terms, or if such date is not a Commodity Business Day or Bullion Business Day, as applicable, in respect the Specified Commodity, the next following Commodity Business Day or Bullion Business Day, as applicable, in respect the Specified Commodity, in each case subject to Condition 5(l) of the General Conditions.

“**Strike Price**” means the price (if any) specified as such in the Final Terms.

“**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 Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price on the day that would otherwise be a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, from what it would have been without that imposition, change or removal.

“**Tin-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Tin on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**Trading Disruption**” means, in respect of the Specified Commodity, the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or such Specified Commodity on the relevant Exchange. For these purposes:

- (i) a suspension of the trading in the relevant Futures Contract or the Specified Commodity on any Commodity Business Day or Bullion Business Day, as applicable, shall be deemed to be material only if:
  - (A) all trading in the relevant Futures Contract or the Specified Commodity is suspended for the entire Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable; or
  - (B) all trading in the relevant Futures Contract or the Specified Commodity is suspended subsequent to the opening of trading on the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, trading does not recommence prior to the regularly scheduled close of trading in such Futures Contract or such Specified Commodity on such Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Futures Contract or the Specified Commodity on any Commodity Business Day or Bullion Business Day, as applicable, 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 or the Specified Commodity may fluctuate and the closing or settlement price of the relevant Futures Contract or the Specified Commodity on such day is at the upper or lower limit of that range.

“**Zinc**” means special high grade zinc.

“**Zinc-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

### 3. Disruption Fallback

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disruption Fallback*

If the Calculation Agent determines, in its sole and absolute discretion or with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, in good faith, that a Market Disruption Event has occurred or exists on a day which is a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date in respect of the Specified Commodity (the “Affected Commodity”), the Commodity Reference Price of the Specified Commodity in respect of such Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, shall be determined in accordance with the first applicable Disruption Fallback specified in the Final Terms.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Market Disruption Event has occurred on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is commodity-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the postponed Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, as the case may be. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Market Disruption Event if it results in a delay in the determination of a Commodity Reference Price and the postponement of any payment in respect of the Notes.”

### 4. Adjustments

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments and Additional Disruption Events,*

(i) Adjustments

If the Calculation Agent determines in respect of any Relevant Commodity Price, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Notes is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent will determine, in its sole and absolute discretion, or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event, the amount (if any) that is payable following that correction, and, whether any adjustment to the terms and conditions of the Notes is required to account for such correction. If, the Calculation Agent determines that an adjustment to the terms and conditions is required, the Issuer will as soon as reasonably practicable adjust the terms and conditions of the Notes to account for such correction.

## (ii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which the Specified Commodity and/or Futures Contracts and/or Commodity Reference Prices are quoted, listed and/or dealt in on the relevant Price Source and/or Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

## (iii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may:

- (a) make such adjustment or adjustments to any relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangements and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market. Notice of any determination made pursuant to this paragraph and/or any adjustment and/or redemption of the Notes shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

## (iv) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which the Specified Commodity and/or Futures Contracts and/or any relevant Commodity Reference Price are quoted, listed and/or dealt on the relevant Price Source and/or Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines appropriate to preserve the economic terms of the Notes. The Calculation Agent, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of

the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.”

#### **5. Automatic Early Redemption**

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”.

#### **6. Prescription**

For the avoidance of doubt, Condition 7 of the General Conditions shall apply to the Notes.

## **PART 1(B): TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF COMMODITIES OR COMMODITY FUTURES**

The terms and conditions applicable to Notes linked to a basket of commodities and/or commodity futures issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below the (“Basket Commodity Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Basket Commodity Linked Conditions, the Basket Commodity Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Basket Commodity Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

### **1. Final Redemption**

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, on the Maturity Date (subject to the provisions of Conditions 5(l) and 5(m) of the General Conditions) the Issuer shall pay the Final Redemption Amount, which shall be an amount payable per Note in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

### **2. Definitions**

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption and/or such other event (if any) specified in the Final Terms.

“**Affected Commodity**” has the meaning given to it in paragraph 3 below.

“**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.

“**Aluminium**” means high-grade primary aluminium.

“**Aluminium – COMEX**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per pound of Aluminium on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date or Valuation Date.

“**Aluminium-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Aluminium on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**Argus**” means the Argus Crude Report, or any successor publication, published by Argus Media Limited or its successor.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

**“Automatic Early Redemption Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Automatic Early Redemption Event”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each event specified as such in the Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Commodity Business Day or a Bullion Business Day, in respect of any Component, the next following day that is a Commodity Business Day or a Bullion Business Day, as applicable, in respect of all Components, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions

**“Averaging Dates”** means each of the dates set forth in the Final Terms, if any, or if any such date is not a Commodity Business Day or Bullion Business Day, as applicable, in respect of each Component, the next following day which is a Commodity Business Day or Bullion Business Day, as applicable, in respect of all Components.

**“Basket”** means, a basket comprised of two or more commodities and/or commodity futures as specified in the Final Terms in the relative proportions specified in the Final Terms.

**“Bullion”** means Gold, Silver, Platinum or Palladium, as the case may be.

**“Bullion Business Day”** means, in respect of any Commodity Linked Notes where the related Basket includes a Bullion Component, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in the location where payment is to be made.

**“Bullion Component”** means, in respect of any Commodity Linked Notes and a related Basket, each component of such Basket which comprises Bullion.

**“Bullion Reference Dealers”** means, with respect to any Bullion for which the relevant Commodity Reference Price is “Commodity Reference Dealers”, the four major dealers that are the members of the LBMA specified in the Final Terms, or if no such Bullion Reference Dealers are specified, as selected by the Calculation Agent, in each case, acting through their principal London offices.

**“Calculation Agent Determination”** means that the Calculation Agent will determine the relevant Commodity Reference Price (or a method for determining the relevant Commodity Reference Price), taking into consideration the latest available quotation for the relevant Commodity Reference Price and any other information that in good faith it deems relevant.

**“Change in Law”** means that on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) to hold, acquire or dispose of any of any Component or to enter into transactions on or relating to any Component (including without limitation, futures contracts) or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially



increased cost in (i) holding, acquiring or disposing of any of any Component, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**COMEX**” means the COMEX Divisions, or its successor, of the New York Mercantile Exchange, Inc., or its successor.

“**Commodity**” means, in respect of each Component, the commodity specified in the relevant Commodity Reference Price, or otherwise the relevant Component.

“**Commodity Business Day**” means (a) in respect of any Component (other than a Bullion Component) for which the Commodity Reference Price is a price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and (b) in respect of any Component (other than a Bullion Component) for which the Commodity Reference Price is not a price announced or published by an Exchange, 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.

“**Commodity Reference Dealers**” means that the price for a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be determined on the basis of quotations provided by Reference Dealers or Bullion Reference Dealers, as applicable, on that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, of that day’s Specified Price for a unit of the relevant Commodity for delivery on the Delivery Date, if applicable. If four quotations are provided as requested, the price for that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer or Bullion Reference Dealer, as applicable, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be the Specified Price provided by the relevant Reference Dealer or Bullion Reference Dealer that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value and lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, cannot be determined.

“**Commodity Reference Price**” means, in respect of each Component, the reference price or spot price for the relevant Component specified in the Final Terms.

“**Component**” means, in respect of any Commodity Linked Notes and the related Basket, each or any of the commodities or commodity futures included in such Basket, including any Bullion Component.

“**Copper**” means copper-grade A.

“**Copper-LME Cash**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Copper on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

“**Copper-COMEX**” means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per pound of high grade copper on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by COMEX on that Pricing Date or Valuation Date.

“**Delayed Publication or Announcement**” means, in respect of an Affected Commodity, that the

Relevant Commodity Price for the relevant Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be determined based on the Specified Price in respect of the original day scheduled as such Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, that is published or announced by the relevant Price Source retrospectively on the first succeeding Commodity Business Day or Bullion Business Day, as applicable, on which the relevant Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist (measured from and including the original day that would otherwise have been the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable) or the Relevant Commodity Price continues to be unavailable for two consecutive Commodity Business Days or Bullion Business Days, as applicable. In that case, the next Disruption Fallback specified in the Final Terms will apply. If, as a result of a delay pursuant to Delayed Publication or Announcement, a Relevant Commodity Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior to the Scheduled Maturity Date, then the Maturity Date will be delayed by the same number of Commodity Business Days or Bullion Business Days, as the case may be, as was the determination of each Relevant Commodity Price provided that the Maturity Date shall not be any earlier than the second Business Day after the date that each Relevant Commodity Price of each Affected Commodity is determined in accordance with the provisions of hereof.

**“Delivery Date”** means, in respect of a Commodity Reference Price, the Nearby Month of expiration of the relevant Futures Contract or the relevant date or month for delivery of the underlying (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 a date is, or a month and year are, specified in the Final Terms, that date or that month and year;
- (B) if a Nearby Month is specified in the Final Terms, the month of expiration of the relevant Futures Contract; and
- (C) if a method is specified for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method,

as determined by the Calculation Agent.

**“Disappearance of Commodity Reference Price”** means, in respect of a Relevant Commodity Price, (A) the permanent discontinuation of trading in the relevant Futures Contract on the relevant Exchange; (B) the disappearance of, or of trading in, the relevant 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 or the relevant Component.

**“Disruption Fallback”** means, any of Fallback Reference Dealers, Fallback Reference Price, Postponement, Calculation Agent Determination and Delayed Publication or Announcement, specified to be applicable in the Final Terms and in the order specified in the Final Terms.

**“Exchange”** means, in respect of the relevant Component, the exchange or principal trading market specified in the relevant definition of Commodity Reference Price.

**“Fallback Reference Dealers”** means that the Relevant Commodity Price, in respect of an Affected Commodity, will be determined in accordance with the Commodity Reference Price, “Commodity-Reference Dealers”.

**“Fallback Reference Price”** means that the Calculation Agent will determine the Relevant Commodity Price, in respect of an Affected Commodity, based on the price for the relevant Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, of the first alternate Commodity Reference Price, if any, specified in the Final Terms and not

subject to a Market Disruption Event.

**“Futures Contract”** means, in respect of any 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 (if any).

**“Gold”** means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**“Gold-A.M. Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s morning Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. Dollars, as determined by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Gold-P.M. Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s afternoon Gold fixing price per troy ounce of Gold for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. Dollars, as calculated by the London Gold Market and displayed on Reuters Screen page “GOFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Gold-COMEX”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per troy ounce of gold on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. Dollars, as made public by the COMEX on that Pricing Date or Valuation Date.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the purchase and/or sale of any Component and any associated foreign exchange transactions.

**“Hedging Disruption Event”** means, (i) any event in connection with which the Issuer, the Guarantor or any of its Affiliates is (or would be) unable, after using commercially reasonable efforts to hold, acquire or dispose of any Component or to enter into, maintain, re-establish or unwind any Hedging Arrangement; (ii) any event in connection with which the Issuer, the Guarantor or any of its Affiliate is (or would be) unable, after using commercially reasonable efforts to realise, recover or remit the proceeds of any Component and/or Hedging Arrangement; and/or (iii) any other event specified as such in the applicable Final Terms.

**“LBMA”** means the London Bullion Market Association or its successor.

**“Lead”** means standard lead.

**“Lead-LME Cash”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Lead on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

**“LME”** means The London Metal Exchange Limited or its successor.

**“LPPM”** means the London Platinum and Palladium Market or its successor.

**“Market Disruption Event”** means the occurrence, with respect to any Component, of a Price Source Disruption, a Trading Disruption, a Disappearance of Commodity Reference Price, a Tax Disruption, a Material Change in Content or a Material Change in Formula or an Early Closure if so specified in the Final Terms or such other event as may be specified in the Final Terms.

**“Material Change in Content”** means the occurrence since the Issue Date of a material change in the content, composition or constitution of the relevant Component or relevant Futures Contract.

**“Material Change in Formula”** means the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

**“Nearby Month”**, when preceded by a numerical adjective, means, in respect of a Delivery Date and/or Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, the month of expiration of the Futures Contract identified by that numerical adjective, so that: (i) “First Nearby Month” means the month of expiration of the first Futures Contract to expire following that date; (ii) “Second Nearby Month” means the month of expiration of the second Futures Contract to expire following that date; and, for example, (iii) “Sixth Nearby Month” means the month of expiration of the sixth Futures Contract to expire following that date.

**“Nickel”** means primary nickel.

**“Nickel-LME Cash”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Nickel on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

**“NYMEX”** means the NYMEX Division, or its successor, of the New York Mercantile Exchange, Inc. or its successor.

**“Observation Date”** means each date, if any, specified as such in the Final Terms, or if any such date is not a Commodity Business Day or Bullion Business Day in respect of all Components, as applicable, the next following day which is a Commodity Business Day or Bullion Business Day, as applicable, in respect of all Components.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Oil”** means West Texas Intermediate light sweet crude oil.

**“OIL-WTI-Argus”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil for delivery on the applicable Delivery Date, stated in U.S. Dollars, published under the heading “Key Crude Assessments: Houston 17.00 hrs: Cash WTI” in the issue of Argus that reports prices effective on that Pricing Date or Valuation Date.

**“Oil-WTI-Platts Marketwire”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil, stated in U.S. Dollars, published under the heading “US Domestic, Delivered US Gulf and Latin America spot assessments: WTI (delivery month)” in the issue of Platts Marketwire that reports prices effective on that Pricing Date or Valuation Date.

**“Oil-WTI-NYMEX”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per barrel of Oil on the NYMEX of the Futures Contract for the Delivery Date, stated in U.S. Dollars, as made public by the NYMEX on that Pricing Date or Valuation Date.

**“Ounce”** means, in the case of Gold, a fine troy ounce, and in the case of Silver, Platinum and Palladium, a troy ounce.

**“Palladium”** means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**“Platts Marketwire”** means Platts Crude Oil Marketwire, or any successor publication published by The McGraw-Hill Companies Inc. or its successor.

**“Platinum”** means ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**“Postponement”** means, with respect to any Component, that the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, will be deemed, for purposes of the application of this Disruption Fallback, to be the first succeeding Commodity Business Day or Bullion Business Day (as applicable) on which the Market Disruption Event ceases to exist, unless that Market Disruption Event continues to exist for two consecutive Commodity Business

Days or Bullion Business Days, as applicable, (measured from and including the original day that would otherwise have been the Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable). In that case, the next applicable Disruption Fallback specified will apply. If, as a result of a postponement pursuant to this provision, a Relevant Commodity Price is unavailable to determine the Final Redemption Amount by the date falling two Business Days prior to the Scheduled Maturity Date, then the Maturity Date will be postponed by the same number of Commodity Business Days or Bullion Business Days as was the determination of the Relevant Commodity Price, provided that the Maturity Date shall not be any earlier than the second Business Day after the date that the Relevant Commodity Price of the Affected Commodity is determined in accordance with the provisions of this Chapter 10.

**“Price Materiality Percentage”** means the percentage specified in the Final Terms (if any).

**“Price Source”** means, in respect of each Component, the publication (or such other origin of reference, including an Exchange) 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, in respect of any Component, (A) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price of the relevant Component) for the relevant Commodity Reference Price; (B) the temporary or permanent discontinuance or unavailability of the Price Source; (C) if the Commodity Reference Price is “Commodity Reference Dealers”, the failure to obtain at least three quotations as requested from the relevant Reference Dealers; or (D) if a Price Materiality Percentage is specified in the Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price “Commodity Reference Dealers” by such Price Materiality Percentage.

**“Pricing Date”** means the date specified in the Final Terms, provided that if the Pricing Date is not a Commodity Business Day in respect of any Component (unless the Component is Bullion) or a Bullion Business Day (if the Component is Bullion), the Pricing Date in respect of all the Components shall be adjusted in accordance with the Following Business Day Convention.

**“Reference Dealers”** means, other than in respect of Bullion, for which the relevant Commodity Reference Price is “Commodity Reference Dealers”, the four dealers specified in the Final Terms or, if dealers are not so specified, four leading dealers in the relevant market selected by the Calculation Agent.

**“Relevant Commodity Price”** means the price determined on any day for the specified Commodity Reference Price.

**“Scheduled Maturity Date”** means the date specified in the Final Terms.

**“Silver”** means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**“Silver-COMEX”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per troy ounce of Silver on the COMEX of the Futures Contract for the applicable Delivery Date, stated in U.S. cents, as made public by the COMEX on that Pricing Date or Valuation Date.

**“Silver-Fix”** means that the price for a Pricing Date or Valuation Date will be that day’s Silver fixing price per troy ounce of Silver for delivery in London through a member of the LBMA authorised to effect such delivery, stated in U.S. cents, as calculated by the London Silver Market and displayed on Reuters Screen page “SIFO” that displays prices effective on that Pricing Date or Valuation Date.

**“Specified Price”** means, in respect of a 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 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; or (O) any other price specified in the Final Terms.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Commodity Business Day or Bullion Business Day, as applicable, in respect of each Component, the next following day which is a Commodity Business Day or Bullion Business Day in respect of all Components.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“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 Futures Contract (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the relevant Commodity Reference Price on the day that would otherwise be a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Date or Observation Date from what it would have been without that imposition, change or removal.

**“Tin-LME Cash”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Tin on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on that Pricing Date or Valuation Date.

**“Trading Disruption”** means, in respect of any Component, the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the relevant Component on the relevant Exchange. For these purposes:

- (i) a suspension of the trading in the relevant Futures Contract or the relevant Component on any Commodity Business Day or Bullion Business Day (as applicable) shall be deemed to be material only if:
  - (A) all trading in the relevant Futures Contract or the relevant Component is suspended for the entire Pricing Date, Averaging Date, Strike Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable; or
  - (B) all trading in the relevant Futures Contract or the relevant Component is suspended subsequent to the opening of trading on the Pricing Date, Averaging Date, Strike Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, trading does not recommence prior to the regularly scheduled close of trading in such relevant Futures Contract or such relevant Component on such Pricing Date, Averaging Date, Strike Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Futures Contract or the relevant Component on any Commodity Business Day or Bullion Business Day (as applicable) 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 or the relevant Component may fluctuate and the closing or settlement price of the relevant Futures Contract or the relevant Component on such day is at the upper or lower limit of that range.

**“Zinc”** means special high grade zinc.

**“Zinc-LME Cash”** means that the price for a Pricing Date or Valuation Date will be that day’s Specified Price per tonne of Zinc on the LME for the applicable Delivery Date, stated in U.S. Dollars, as determined by the LME and displayed on Reuters Screen page “MTLE” that displays prices effective on

that Pricing Date or Valuation Date.

### 3. Disruption Fallback

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Fallback*

If the Calculation Agent determines, in its sole and absolute discretion, in its sole and absolute discretion or with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, in good faith, that a Market Disruption Event has occurred or exists on a day which is a Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date in respect of any Component (such Component an “**Affected Commodity**”), the Commodity Reference Price of the Components which are not affected by the occurrence of a Market Disruption Event shall be determined on the scheduled Pricing Date, Strike Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date and the Commodity Reference Price of any Affected Commodity shall be determined in accordance with the first applicable Disruption Fallback specified in the Final Terms.

Notwithstanding the provisions of any other Condition, if the Calculation Agent determines that a Market Disruption Event has occurred on any Observation Date, Automatic Early Redemption Valuation Date or Averaging Date, payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is commodity-linked), as the case may be, shall be postponed to the later of (i) the Maturity Date, the Automatic Early Redemption Date and/or the relevant Interest Payment Date and (ii) the date that is three Business Days (or such other period as specified in the Final Terms) following the last postponed Observation Date, Automatic Early Redemption Valuation Date or Averaging Date in respect of which the relevant Commodity Reference Price and/or relevant Relevant Commodity Price has been determined in respect of each Component. For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Market Disruption Event if it results in a delay in the determination of a Commodity Reference Price and the postponement of any payment in respect of the Notes.”

### 4. Adjustments

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments and Additional Disruption Events,*

(i) Adjustments

If the Calculation Agent determines in respect of any Relevant Commodity Price, that the price published or announced and used or to be used by the Calculation Agent in any calculation or determination made or to be made in respect of the Notes is subsequently corrected and the correction is published or announced by the person responsible for that publication or announcement within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent will determine, in its sole and absolute discretion or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event, the amount (if any) that is payable following that

correction, and, whether any adjustment to the terms and conditions of the Notes is required to account for such correction. If the Calculation Agent determines that an adjustment to the terms and conditions is required the Issuer will, as soon as reasonably practicable, adjust the terms and conditions of the Notes to account for such correction.

(ii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or the currency in which any Component and/or any relevant Futures Contract and/or any relevant Commodity Reference Price is quoted, listed and/or dealt in on the relevant Price Source and/or Exchange (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price (if applicable) and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.

(iii) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may:

- (a) make such adjustment or adjustments to any relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary and, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangements and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination made pursuant to this paragraph and/or any adjustment and/or redemption of the Notes shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(iv) Change in currency

If, at any time after the Issue Date, there is any change in the currency in which any Component and/or any relevant Futures Contract and/or any relevant Commodity Reference Price is quoted, listed and/or dealt on the relevant Price Source and/or Exchange, then the Issuer will adjust such of the terms and conditions of the Notes as the Calculation Agent determines appropriate to preserve the economic terms of the Notes. The Calculation Agent, acting in good faith and in accordance with



reasonable market practice with an aim of neutralising the distorting effects of such events with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Notes.”

## **5. Automatic Early Redemption**

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”.

## **6. Prescription**

For the avoidance of doubt, Condition 7 of the General Conditions shall apply to the Notes.

## PART 2: FORM OF FINAL TERMS FOR COMMODITY LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Index Linked Notes issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance SA**

**Issue of [Aggregate Nominal Amount of Tranche] [Number of Units] " [Title of Notes]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single /Basket] Commodity Linked Conditions set forth in Chapter 10, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus

Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

<sup>#</sup>*[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

\**[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy:* The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Bonds” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].

*[Only if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market situated or operating in Italy:* The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Certificates” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single/Basket] Commodity Linked Conditions set forth in Chapter 10, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the “Base Prospectus”)]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “Prospectus Directive”)]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (other than with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).]

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the*

*numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

#### GENERAL DESCRIPTION OF THE NOTES

1. Issuer: ING Belgium International Finance S.A.
2. Guarantor: ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●] [Units]<sup>u</sup>  
 (i) Tranche: [●][Units]<sup>u</sup>  
 (ii) Series: [●][Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds/commodities/commodity futures] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Notes))]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period.].*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor*

- [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be cancelled at any time prior to the Issue Date.)]*
- (If relevant give time period during which the offer will be open and description of the application process)*
- (If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors.)*
- (If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*
- (If relevant give details of any conditions to which the offer is subject)*
- (If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised).*
- [See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●] 1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000]].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: [[●] Fixed rate - specify date]  
 [Floating rate – The Interest Payment Date falling in or nearest to[●] [specify month and year]]  
 (the “Scheduled Maturity Date”), subject to adjustment in accordance with [(i) the Business Day Convention and (ii) if applicable, Condition 5(l).]
12. Interest Basis: [[●] per cent.- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent.Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest] [specify other]

- (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
[Partly Paid][Instalment][specify other]  
(further particulars specified below)
14. Change of Interest Basis or Redemption/  
Payment Basis: [Not Applicable]  
[Applicable] [*Specify details of any provision for  
change of Notes into another interest or redemption  
payment basis*]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put] [Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the  
remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending  
Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Scheduled  
Maturity Date]/[specify other] [, subject to adjustment  
in accordance with [*specify Business Day Convention*]  
(as defined in Condition 3(b) of the General Conditions)]  
*(NB: This will need to be amended in the case of long or  
short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed  
Interest Period, as defined in Condition 3(a) of the  
General Conditions, the Fixed Coupon Amount will be  
an amount equal to the [Specified Denomination/  
Calculation Amount] multiplied by the Rate of Interest  
multiplied by the Day Count Fraction with the resultant  
figure being rounded to the nearest sub-unit of the  
Specified Currency, half of any such sub-unit being  
rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken interest  
amounts per Specified Denomination (or Calculation  
Amount if one is specified in these Final Terms) which  
do not correspond with the Fixed Coupon Amount[s]  
and specify which Interest Payment Date(s) they are  
payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or  
specify other]  
*[If using Day Count Fraction other than 30/360 or  
Bond Basis or Actual/Actual (ICMA), then either define  
it here or (if it is used in Condition 3(b) of the General  
Conditions) specify it has the meaning ascribed in  
Condition 3(b) of the General Conditions.]*

- (vi) Determination Date(s): [●] in each year  
*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*  
*(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*  
*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
19. **[Floating Rate/Variable-linked Interest]** [Applicable/Not Applicable]  
**Note Provisions:** *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period(s)/Specified Interest Payment Dates: [●]
- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention (Adjusted) /Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention(Adjusted)/Preceding Business Day Convention (Unadjusted)/ *[specify other]*]
- (iii) Additional Business Centre(s): [No Additional Business Centres/*specify other*]
- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]: [Screen Rate Determination/ISDA Determination/*specify other e.g. in case of Variable-linked Interest notes describe formula and/or give other details*]
- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount: [Calculation Agent/*specify other*]
- (vi) Screen Rate Determination: [Applicable/Not Applicable]
- Reference Rate: [●]  
*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)*
- Interest Determination Date(s): [●]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or*

*Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*

- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (ix) ISDA Determination: [Applicable/Not Applicable]
  - Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
- (x) Margin(s): [+/-] [●] per cent. per annum
- (xi) Minimum Rate of Interest: [●] per cent. per annum
- (xii) Maximum Rate of Interest: [●] per cent. per annum
- (xiii) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA)  
[Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)]*
- (xiv) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/*Give details*]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
- 20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
  - (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in*



*respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Reference Price: [•]
- (iii) Any other formula/basis of determining amount payable: [•]
- (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/ specify other]  
(Consider applicable Day Count Fraction if not U.S. dollar denominated)
- 21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
  - (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Issuer): [•]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [•]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [•]  
(If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate)

#### PROVISIONS RELATING TO REDEMPTION

- 22. Issuer Call: [Applicable/Not Applicable] (If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
  - (i) Optional Redemption Date(s): [•]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [•] per [Note of [•] Specified Denomination]  
[Calculation Amount] [Unit]<sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [•]
    - (b) Maximum Redemption Amount of each Note: [•]
  - (iv) Notice period (if other than as set out in the General Conditions): [•]  
(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other

- notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable] *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]  
*(For Italian Certificates only:)* *(N.B. formula to specify any multiplier, if applicable)*  
 (i) Renouncement Notice Date:  
 [Not Applicable / specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
- (iii) Other (Condition 5(k) of the General [Applicable/Not Applicable] *[If the Notes are to be*

Conditions):

*redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes: [Bearer Notes:  
New Global Note: [Yes/No] (*Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”*)  
[Permanent Global Note not exchangeable for Definitive Notes]
27. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/give details]  
(*Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate*)
28. 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/give details]  
(*N.B. A new form of Permanent Global Note may be required for Partly Paid issues*)
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms: [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
[specify Calculation Agent if other than Guarantor]  
(*when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive*)

#### DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*: [Not Applicable/give names, addresses and underwriting commitments]  
(*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.*)  
(*Where not all of the issue is underwritten, indicate the portion not covered*)

- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [specify name [and address]\* of dealer/Not Applicable. The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]  
(Where not all of the issue is underwritten, indicate the portion not covered)
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]  
[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.**]
35. (i) Simultaneous offer: [Not Applicable/give details]  
(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) – which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] (“Public Offer Jurisdictions”) during the periods from [specify date] until [specify date] [and from [specify date] until [specify date]] (“Offer Period”). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**
- (i) **FX Provisions:** [specify as applicable or delete if N/A]

- Scheduled Valuation Date: *[specify]*
- Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]*[Not Applicable]
- FX Market Disruption Event Period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
- Maximum Period of Postponement: *[[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which any amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date] [In accordance with Condition 15 of the General Conditions]*
- Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate] [In accordance with Condition 15 of the General Conditions]*
- Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
- Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]*
- Relevant Currency: *[specify]*
- (ii) **Benchmark Provisions:** *[specify as applicable or delete if N/A]*
  - Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]*[Not Applicable]
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]*[Not Applicable]
  - Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days] [In accordance with Condition 15 of the General Conditions]*
  - Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance*

with Condition 15 of the General Conditions]

- Relevant Currency: *[specify]*

**(iii) FX Convertibility Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*

- Relevant Jurisdiction: *[specify]*

- Other: *[Applicable / Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(iv) FX Transferability Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*

- Relevant Jurisdiction: *[specify]* [Not Applicable]

- Other: *[Applicable / Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(v) Tax Event Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*

- Relevant Jurisdiction: *[specify]* [Not Applicable]

-Any changes to Condition 15 (d): *[specify / None]*

### 38. COMMODITY LINKED PROVISIONS

*[The following apply to Notes linked to a single commodity or commodity future only:*

Other (Definition of Additional Disruption Event)

Change in Law

*[Applicable/Not Applicable/specify]*

Hedging Disruption

*[Applicable/Not Applicable/specify]*

[Other Additional Disruption Event, if any]

*[specify / None]*

Automatic Early Redemption:

*[Applicable/ Not Applicable]*

*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount: *[specify or delete if N/A]*

- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*

*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five*

	<i>Business Days after the Automatic Early Redemption Event]</i>
- Automatic Early Redemption Event:	<i>[specify] [complete as appropriate]</i>
- Automatic Early Redemption Price:	<i>[specify or delete if N/A]</i>
- Automatic Early Redemption Rate:	<i>[specify or delete if N/A]</i>
- Automatic Early Redemption Valuation Date(s):	<i>[specify date(s) or delete if N/A]</i>
Averaging Dates:	<i>[specify date(s) or delete if N/A]</i>
Specified Commodity:	<b>[•]</b>
Commodity Reference Price:	<b>[•]</b> <i>[specify successor and fallback provisions]</i>
(i) Price Source/Reference Dealers:	<b>[•]</b>
(ii) Currency:	<b>[•]</b>
(iii) Specified Price:	<b>[•]</b>
(iv) Delivery Dates:	<b>[•]</b>
(v) Pricing Date(s):	<b>[•]</b>
(vi) Strike Date:	<b>[•]</b> <i>[Not Applicable]</i>
(vii) Strike Price:	<b>[•]</b> <i>[Not Applicable]</i>
Price Materiality Percentage:	<b>[•]</b> <i>[Not Applicable]</i>
Exchange:	<i>[specify]</i>
Market Disruption Events:	<i>[Price Source Disruption]</i> <i>[Trading Disruption]</i> <i>[Disappearance of Commodity Reference Price]</i> <i>[[except in relation to Bullion]] Material Change in Formula]</i> <i>[[except in relation to Bullion]] Material Change in Content]</i> <i>[Tax Disruption]</i> <i>[Not Applicable]</i> <i>(delete as applicable)</i>
Disruption Fallback:	<i>[[Fallback Reference Dealers]</i> <i>[Fallback Reference Price]</i> <i>[Postponement]</i> <i>[Calculation Agent Determination]</i> <i>[Delayed Publication or Announcement]</i> <i>(delete as applicable and place in preferred order) ]</i>  <i>[In the following order:</i> (a) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days or, in the case of Bullion, two consecutive Bullion Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or

Announcement does not yield a Relevant Commodity Price within those two consecutive Commodity Business Days or Bullion Business Days (as applicable)); and

(b) Calculation Agent Determination.]

Observation Date(s): *[specify or delete if N/A]*

Observation Period: *[specify as [the period from and including the Issue Date, Strike Date or [●] to and including [●]] or delete if N/A]*

***[The following apply to Notes linked to a Basket of commodities and/or commodity futures only:***

Other (Definition of Additional Disruption Event)

Change in Law

*[Applicable/Not Applicable/specify]*

Hedging Disruption

*[Applicable/Not Applicable/specify]*

[Other Additional Disruption Event, if any]

*[specify / None]*

Automatic Early Redemption:

*[Applicable/ Not Applicable]*

*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount: *[specify or delete if N/A]*

- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*

*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*

- Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Price of one or more Shares in the Basket; specify the applicable Share(s)]*

*[greater than/ greater than or equal to/ less than/ less than or equal to/ other-specify]*

*[complete as appropriate]*

- Automatic Early Redemption Price(s): *[specify or delete if N/A]*

- Automatic Early Redemption Rate: *[specify or delete if N/A]*

- Automatic Early Redemption Valuation Date(s): *[specify date(s) or delete if N/A]*

Averaging Dates: *[specify dates or delete if N/A]*

**“Basket”** means a basket composed of commodities and/or commodity futures in the relative proportions specified below:

[Insert the following details in respect of each Component:

Component

Proportion

Commodity Reference Price: [●] *[specify successor and fallback provisions]*

(i) Price Source/Reference Dealers: [●]



(ii) Currency:	[●]
(iii) Specified Price:	[●]
(iv) Delivery Dates:	[●]
(v) Pricing Date(s):	[●]
(vi) Strike Date:	[●][Not Applicable]
(vii) Strike Price:	[●][Not Applicable]
Exchange]	
Price Materiality Percentage:	[●][Not Applicable]
Market Disruption Events:	[Price Source Disruption] [Trading Disruption] [Disappearance of Commodity Reference Price] [[ <i>except in relation to Bullion</i> )] Material Change in Formula] [[ <i>except in relation to Bullion</i> )] Material Change in Content] [Tax Disruption] [Not Applicable] <i>(delete as applicable)</i>
Disruption Fallback:	[[Fallback Reference Dealers] [Fallback Reference Price] [Postponement] [Calculation Agent Determination] [Delayed Publication or Announcement] <i>(delete as applicable and place in preferred order) ]</i> [In the following order: (a) Delayed Publication or Announcement and Postponement (each to operate concurrently with the other and each subject to a period of two consecutive Commodity Business Days or, in the case of Bullion, [two][eight] consecutive Bullion Business Days (measured from and including the original day that would otherwise have been the Pricing Date); provided, however, that the price determined by Postponement shall be the Relevant Commodity Price only if Delayed Publication or Announcement does not yield a Relevant Commodity Price within those two consecutive Commodity Business Days or Bullion Business Days (as applicable)); and (b) Calculation Agent Determination.]
Observation Date(s):	<i>[specify or delete if N/A]</i>
Observation Period:	<i>[specify as [the period from and including the Issue Date, Strike Date or [●] to and including [●]] or delete if N/A]</i>
Strike Date:	<i>[specify or delete if N/A]</i>
Strike Price:	<i>[specify or delete if N/A]</i>
	[Insert any other relevant terms]]

**PURPOSE OF FINAL TERMS**

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange/ the Italian Stock Exchange/specify relevant regulated market] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

**RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- |   |   |
|---|---|
| (i) Listing:  | [The Official List of the Luxembourg Stock Exchange/<br>Italian Stock Exchange MOT/Italian Stock Exchange<br>SeDeX/other (specify)/ None]   |
| (ii) Admission to trading:  | [Application [has been made] [will be made] for the Notes<br>to be admitted to trading on [the Regulated Market of the<br>Luxembourg Stock Exchange/ Italian Stock Exchange<br>MOT/Italian Stock Exchange SeDeX/ other (specify)] with<br>effect from [●][the first day of “as-if-and-when-issued-<br>trading”).]<br><br>[Not Applicable.]<br><br>[(Where documenting a fungible issue need to indicate that<br>original securities are already admitted to trading) *] |
| (iii) As-if-and-when-issued-trading   | [Three Business Days preceding the Issue Date/Not<br>Applicable]  |
| (iv) Estimate of total expenses related to<br>admission to trading:**   | [●]**   |
| (v) [Minimum Transferable Amount][<br>applicable only to Italian Certificates to<br>be listed on SeDeX or on other markets<br>which provide so] | [Specify / Not Applicable]  |

### 2. RATINGS

- |          |  |
|----------|--|
| Ratings: | The Issuer has not been assigned any rating.<br><br>Neither the Programme nor the issue of this Tranche of<br>Notes has been rated.<br><br>The Guarantor has a senior debt rating from Standard &<br>Poor’s Credit Market Services Europe Limited (“Standard<br>& Poor’s”) of A+ (outlook stable), a senior debt rating<br>from Moody’s France SAS (“Moody’s”) of A2 (outlook<br>negative) and a senior debt rating from Fitch Ratings Ltd.<br>(“Fitch”) of A+ (outlook stable). |
|----------|--|

### 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided the Financial Services and Markets Authority, the competent authority of Belgium, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any

Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

**4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

(i) Reasons for the offer

[•]

*(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here)]*

(ii) Estimated net proceeds

[•]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[•]. [Include breakdown of expenses]

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

**6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[•]

[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\*

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

**7. [HISTORIC INTEREST RATES (Floating Rate Notes only)\*]**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [•].]

*If the Notes have a derivative component in the interest payment (as described in paragraph 11 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

**8. INFORMATION CONCERNING THE UNDERLYING**

*[Need to include the ISIN codes and any other codes of the commodity futures and details of where information on the past and future performance and volatility of the underlying commodity and/or commodity futures can be obtained, and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least /EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]*

**9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)\***

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]*

**10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

**11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**12. OPERATIONAL INFORMATION**

- |   |   |
|---|---|
| (i) Intended to be held in a manner which would allow Eurosystem eligibility: | [Yes/No]<br>[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form] |
| (ii) ISIN CODE:   | [•]   |
| (iii) Common Code:  | [•]   |
| (iv) Other relevant code:   | [•] [Not Applicable]  |
| (v) Clearing system(s):   | [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]   |
| (vi) Delivery   | Delivery [against/free of] payment<br><i>(Include details of any other method and time limits for paying up and delivering the Notes)</i>   |
| (vii) Names and addresses of additional Paying Agent(s) (if any):             | [•]   |

(viii) Name and address of Calculation Agent: [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]

### 13. FURTHER ADDITIONAL INFORMATION

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation to Italian Bonds and Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)]

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#### Notes:

[\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]

[\*\* Not required if the minimum denomination is less than EUR 100,000]

[\*\*\* Not required if the minimum denomination is at least EUR 100,000]

[<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 11: COMMODITY INDEX LINKED NOTES

### PART 1(A): TERMS AND CONDITIONS OF NOTES LINKED TO A SINGLE COMMODITY INDEX

The terms and conditions applicable to Notes linked to a single commodity index issued by the Issuer under the unconditional and irrevocable guarantee of the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Single Commodity Index Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Single Commodity Index Linked Conditions, the Single Commodity Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Single Commodity Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Final Redemption

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 5(a) of the General Conditions the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 5(l) and 5(m) of the General Conditions) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

#### 2. Definitions

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption Event and/or such other event (if any) specified as applicable in the relevant Final Terms.

“**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.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

“**Automatic Early Redemption Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Automatic Early Redemption Event**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Commodity Index Level is, as specified in the applicable Final Terms, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Automatic Early Redemption Level.

“**Automatic Early Redemption Level**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the Commodity Index Level specified as such or otherwise determined in the applicable Final Terms.



**“Automatic Early Redemption Rate”** means, in respect of any Automatic Early Redemption Date and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

**“Automatic Early Redemption Valuation Date(s)”** means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Valuation Day, the next following day that is a Scheduled Valuation Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

**“Averaging Dates”** means, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Change in Law”** means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates, to (i) hold, acquire or dispose of any Component of the Commodity Index or to enter into transactions on or relating to any Component (including without limitation, futures contracts) or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Component of the Commodity Index, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**“Commodity Business Day”** means, in respect of a Component, if the Commodity Reference Price of such Component is (a) a price announced or published by an Exchange, a day that is (or, but for its designation as a Disrupted Day if applicable, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and (b) not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for its designation as a Disrupted Day if applicable, would have published) a price.

**“Commodity Index”** means the commodity index specified in the Final Terms, or any Successor Commodity Index.

**“Commodity Index Cancellation”** means the Commodity Index Sponsor cancels the Commodity Index and no Successor Commodity Index exists.

**“Commodity Index Disruption”** means the Commodity Index Sponsor fails to calculate and announce the Commodity Index Level.

**“Commodity Index Level”** means, on any relevant Scheduled Valuation Day, the level of the Commodity Index, as calculated and published by the Commodity Index Sponsor, (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Scheduled Valuation Day or (ii) if “Official Closing Level Only” is specified as being applicable in the Final Terms, the official closing level of the Commodity Index on such Scheduled Valuation Day.

**“Commodity Index Modification”** means the Commodity Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for, or the method of, calculating the Commodity Index or in any other way materially modifies the Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent Components and other routine events).

**“Commodity Index Sponsor”** means, unless otherwise specified in the applicable Final Terms, the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Commodity Index and (b) announces (directly or through an agent) the Commodity Index Level on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Commodity Index or any agent or person acting on behalf of such person.

**“Commodity Reference Price”** means, in respect of any Component, the reference price or spot price for such Component used in the market for transactions relating to such Component, as determined by the Calculation Agent, whether such price is announced or published by an Exchange or any other Price Source or otherwise.

**“Component”** means in respect of a Commodity Index, any commodity, commodity options or commodity futures comprised in such Commodity Index. If the Commodity Index itself comprises or includes one or more other Indices, “Component” shall be read and construed as the relevant underlying commodity, commodity options or commodity futures.

**“Disappearance of Commodity Reference Price”** means, in respect of a Commodity Index, either (i) the permanent discontinuation of trading in any Component related to the Commodity Index on the relevant Exchange; (ii) the disappearance of, or of trading in, any Component related to the Commodity Index; or (iii) the disappearance or permanent discontinuance or unavailability of the relevant Commodity Reference Price of any Component, notwithstanding the availability of the related Price Source or the status of trading in the relevant Component.

**“Disrupted Day”** means any Scheduled Valuation Day on which any of the following occurs or exists: a Commodity Index Disruption; a Price Source Disruption; a Trading Disruption; a Disappearance of Commodity Reference Price; a Tax Disruption; a Material Change in Component Content; and/or a Material Change in Component Formula, unless otherwise specified in the Final Terms.

**“Exchange(s)”** means, (i) if “Non Multi-Exchange Index” is specified in the Final Terms, the Exchange specified in the Final Terms or, (ii) if “Non Multi-Exchange Index” is specified in the Final Terms and no Exchange is specified in the Final Terms or if “Multi-Exchange Index” is specified in the Final Terms, the exchange(s), quotation system(s) or principal trading market(s) (from time to time) for the relevant Components of the Commodity Index (or any successor to any such exchange, quotation system or principal trading market or any substitute exchange, quotation system or principal trading market) as determined by the Calculation Agent.

**“Expiration Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the purchase and/or sale of any Component and any associated foreign exchange transactions.

**“Hedging Disruption Event”** means, unless otherwise specified in the applicable Final Terms, each of (i) Disappearance of Commodity Reference Price, Tax Disruption, Price Source Disruption, Disappearance of Commodity Reference Price; (ii) any event in connection with which the Issuer or any of

its Affiliates is (or would be) unable, after using commercially reasonable efforts to hold, acquire or dispose of any Component of the Commodity Index or to enter into, maintain, re-establish or unwind any Hedging Arrangement; (iii) any event in connection with which the Issuer, the Guarantor or any of its affiliates is (or would be) unable, after using commercially reasonable efforts to realise, recover or remit the proceeds of any Component and/or Hedging Arrangement; and/or (iv) any other event specified as such in the applicable Final Terms.

**“Material Change in Component Content”** means the occurrence since the Issue Date of a material change in the content, composition or constitution of any Component.

**“Material Change in Component Formula”** means the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price of any Component.

**“Observation Date”** means each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Price Source”** means, in respect of any Component, the publication (or such other origin of reference, including an Exchange or reference dealers) containing (or reporting) the Commodity Reference Price (or prices from which the Commodity Reference Price is calculated) used in the market for transactions relating to such Component as determined by the Calculation Agent.

**“Price Source Disruption”** means, in respect of any Component, (i) the failure of the relevant Price Source to announce or publish the Commodity Reference Price (or the information necessary for determining the Commodity Reference Price of such Component); (ii) the temporary or permanent discontinuance or unavailability of the Price Source; (iii) the inability to obtain a commodity reference price in respect of any Component under any Hedging Arrangement; or (iv) the occurrence of any other price source disruption under any Hedging Arrangement.

**“Scheduled Closing Time”** means in respect of the relevant Exchange(s) and a Commodity Business Day, the scheduled weekday closing time of the relevant Exchange(s) on such Commodity Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

**“Scheduled Trading Day”** means any day on which the Commodity Index Sponsor is scheduled to publish the Commodity Index Level.

**“Scheduled Valuation Day”** means a day that is both a Scheduled Trading Day in respect of the Commodity Index and a Commodity Business Day in respect of each Component of the Commodity Index.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“Successor Commodity Index”** means where the Commodity Index is (i) not calculated and announced by the Commodity Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Commodity Index, such successor index or index calculated and announced by the successor sponsor.

**“Tax Disruption”** means, with respect to any Component, 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 such Component (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price on the day that would otherwise be a Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, from what it would have been without that imposition, change or removal.

**“Trading Disruption”** means, any material suspension of, or a material limitation imposed on, trading in any Component of the Commodity Index. For these purposes:

- (i) a suspension of the trading in the relevant Component on any Commodity Business Day shall be deemed to be material only if:
  - (A) all trading in the relevant Component is suspended for the entire Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable; or
  - (B) all trading in the relevant Component is suspended subsequent to the opening of trading on the Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, trading does not recommence prior to the regularly scheduled close of trading in such Component on such Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Component 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 Component may fluctuate and the closing or settlement price of the relevant Component on such day is at the upper or lower limit of that range.

**“Valuation Time”** means the Scheduled Closing Time on the relevant date. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, in respect of the Commodity Index is a Disrupted Day, then the Issuer may elect to:

- (i) postpone the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date, Observation Date, and/or the payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is index-linked), as the case may be, to such date as the Issuer may, in its discretion, or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading as been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice, determine; and/or

- (ii) determine the Commodity Index Level for such Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be. In determining the Commodity Index Level, the Issuer may take into account the relevant event and in order to preserve the economic equivalent of the obligations of the Issuer under the Italian Bonds or Italian Certificates in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, may take into account (i) the formula for and method of calculating the Commodity Index Level last in effect; (ii) the Commodity Reference Price or other relevant price or value determined by the Issuer in respect of the Components comprised in the Commodity Index in respect of such date; (iii) the latest available quotation for the relevant Commodity Reference Prices of the Components of the Commodity Index; (iv) the Commodity Reference Price in respect of any Component comprised in the Commodity Index in respect of such date determined under any Hedging Arrangement; and/or (v) any other price, value or other information that the Issuer in good faith deems relevant; and/or
- (iii) make an adjustment to any of the terms of the Notes and/or redeem the Notes pursuant to Condition 5(m)(i).

For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day and of any election made pursuant to this Condition 5(l)."

#### 4. Adjustments, Consequences of Certain Events and Currency

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*"(m) Adjustments, Early Redemption and Currency*

(i) Adjustments and Early Redemption

If the Calculation Agent determines that an Additional Disruption Event, a Commodity Index Modification, Commodity Index Cancellation, Commodity Index Disruption, or any event specified in the definition of Disrupted Day has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), the Strike Price, any Commodity Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) (each such other event a "**Relevant Event**"), the Issuer, at its discretion, may:

- (a) make any adjustment or adjustments to the Final Redemption Amount, Automatic Early Redemption Amount, the Strike Price, any Commodity Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or
- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Additional Disruption Event, Commodity Index Modification, Commodity Index Cancellation, Commodity Index

Disruption, or Relevant Event, as applicable, less, unless specified otherwise in the Final Terms, the cost to the Issuer or any of its Affiliates of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer or any of its Affiliates in respect of any such Hedging Arrangements and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination pursuant to this Condition 5(m)(i), any such adjustment and/or any redemption of the Notes hereunder shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ii) Price Correction

In the event that any price or level published or announced on the relevant Exchange(s) or by the Commodity Index Sponsor and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published or announced within three Business Days (or such other period specified in the Final Terms) after the original publication or announcement, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(iii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise and whether relating to the currency in which the Commodity Index, any Component and/or any Commodity Reference Price is quoted, listed and/or dealt on the relevant Price Source and/or Exchange or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.”

## 5. Automatic Early Redemption

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the

Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”

#### **6. Commodity Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by the Commodity Index or the Commodity Index Sponsor and the Commodity Index Sponsor has made no representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Commodity Index and/or the levels at which the Commodity Index stands at any particular time on any particular date or otherwise. The Commodity Index Sponsor shall not be liable (whether in negligence or otherwise) to any person for any error in the Commodity Index and the Commodity Index Sponsor is under no obligation to advise any person of any error therein. The Commodity Index Sponsor has made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer, nor the Guarantor nor the Calculation Agent shall have any liability to any person for any act or failure to act by the Commodity Index Sponsor in connection with the calculation, adjustment or maintenance of the Commodity Index. Neither the Issuer, nor the Guarantor nor the Calculation Agent has any affiliation with or control over the Commodity Index or the Commodity Index Sponsor or any control over the computation, composition or dissemination of the Commodity Index. Although the Issuer, the Guarantor and the Calculation Agent will obtain information concerning the Commodity Index from publicly available sources they believe to be reliable, they will not independently verify this information.

## **PART 1(B): TERMS AND CONDITIONS OF NOTES LINKED TO A BASKET OF COMMODITY INDICES**

The terms and conditions applicable to Notes linked to a basket of commodity indices issued by the Issuer under the unconditional and irrevocable guarantee of the the Guarantor shall comprise the Terms and Conditions of the Notes set out in Chapter 2, Part 1 (the “General Conditions”) and the additional Terms and Conditions set out below (the “Commodity Basket Index Linked Conditions”), in each case subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the General Conditions and the Commodity Basket Index Linked Conditions, the Commodity Basket Index Linked Conditions set out below shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Commodity Basket Index Linked Conditions and (ii) the Final Terms, the Final Terms shall prevail.

### **1. Final Redemption**

Subject to any applicable automatic redemption and/or early redemption and/or exercise of put options and/or exercise of call options set forth in the Final Terms not having occurred prior to any applicable date specified therein, for the purposes of Condition 5(a) of the General Conditions the Final Redemption Amount payable per Note on the Maturity Date (subject to the provisions of Condition 5(l) and 5(m) of the General Conditions)) shall be an amount in the Specified Currency determined by the Calculation Agent as set forth in the Final Terms.

### **2. Definitions**

For the purposes of the terms and conditions of the Notes, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law, a Hedging Disruption Event and/or such other event (if any) specified as applicable in the relevant Final Terms.

“**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.

“**Automatic Early Redemption Amount**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (a) an amount specified as such in the applicable Final Terms or, if no such amount is specified, (b) an amount per Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) equal to the product of (i) the Specified Denomination (or the Calculation Amount if one is specified to be applicable in the Final Terms) and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

“**Automatic Early Redemption Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Automatic Early Redemption Event**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, (unless otherwise specified in the applicable Final Terms) that the Commodity Index Level of one or more Commodity Indices is, as specified in the applicable Final Terms, (i) “greater than”, (ii) “greater than or equal to”, (iii) “less than” or (iv) “less than or equal to” the Automatic Early Redemption Level.

“**Automatic Early Redemption Level**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the Commodity Index Level specified as such or otherwise determined in the applicable Final Terms.

“**Automatic Early Redemption Rate**” means, in respect of any Automatic Early Redemption Date



and if “Automatic Early Redemption” is specified as being applicable in the Final Terms, the rate specified as such in the applicable Final Terms.

“**Automatic Early Redemption Valuation Date(s)**” means, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, each of the date(s) specified as such in the applicable Final Terms or, if any such Automatic Early Redemption Valuation Date is not a Scheduled Valuation Day, the next following day that is a Scheduled Valuation Day, in each case subject to adjustment in accordance with Condition 5(l) of the General Conditions.

“**Averaging Dates**” means, each of the dates set forth in the Final Terms, if any, or if any such date is not a Scheduled Valuation Day in respect of the relevant Commodity Index, the next following Scheduled Valuation Day in respect of that Commodity Index, in each case subject to Condition 5(l) of the General Conditions.

“**Basket**” means a basket composed of the commodity indices specified in the Final Terms.

“**Change in Law**” means that, on or after the Issue Date (or as otherwise set forth in the Final Terms) (A) due to the adoption of or any change in any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, the Commodity Futures Trading Commission or any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority), the Issuer determines that:

(X) it has (or it expects that it will) become illegal for the Issuer, the Guarantor or any of its Affiliates to (i) hold, acquire or dispose of any Component of any of the Commodity Indices or to enter into transactions on or relating to any Component of any of the Commodity Indices (including without limitation, futures contracts) or (ii) perform its obligations under the Notes; or

(Y) the Issuer, the Guarantor or any of its Affiliates would (or would expect to) incur a materially increased cost in (i) holding, acquiring or disposing of any Component of any of the Commodity Indices, (ii) maintaining, entering into or unwinding any Hedging Arrangement, and/or (iii) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Commodity Business Day**” means, in respect of a Commodity Index and any Component of such Commodity Index, if the Commodity Reference Price of such Component is (a) a price announced or published by an Exchange, a day that is (or, but for its designation as a Disrupted Day if applicable, would have been) a day on which that Exchange is open for trading during its regular trading session, notwithstanding any such Exchange closing prior to its scheduled closing time; and (b) not a price announced or published by an Exchange, a day in respect of which the relevant Price Source published (or, but for its designation as a Disrupted Day if applicable, would have published) a price.

“**Commodity Index**” means one of the commodity indices specified in the definition of Basket in the applicable Final Terms or any Successor Commodity Index thereto and “**Commodity Indices**” means all such commodity indices together.

“**Commodity Index Cancellation**” means, in respect of a Commodity Index, the Commodity Index Sponsor in respect of such Commodity Index cancels the Commodity Index and no Successor Commodity Index exists.

“**Commodity Index Disruption**” means, in respect of a Commodity Index, the Commodity Index Sponsor in respect of such Commodity Index fails to calculate and announce the Commodity Index Level.

“**Commodity Index Level**” means, in respect of a Commodity Index, on any relevant Scheduled

Valuation Day, the level of the Commodity Index, as calculated and published by the relevant Commodity Index Sponsor, (i) if “Constant Monitoring” is specified as being applicable in the Final Terms, at any given time on such Scheduled Valuation Day or (ii) if “Official Closing Level Only” is specified as being applicable in the Final Terms, the official closing level of the Commodity Index on such Scheduled Valuation Day.

**“Commodity Index Modification”** means, in respect of a Commodity Index, the relevant Commodity Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for, or the method of, calculating the Commodity Index or in any other way materially modifies the Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent Components and other routine events).

**“Commodity Index Sponsor”** means, unless otherwise specified in the Final Terms, the corporation or entity as determined by the Calculation Agent that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Commodity Index and (b) announces (directly or through an agent) the Commodity Index Level on a regular basis during each Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Commodity Index or any agent or person acting on behalf of such person.

**“Commodity Reference Price”** means, in respect of any Component of any Commodity Index, the reference price or spot price for such Component used in the market for transactions relating to such Component, as determined by the Calculation Agent, whether such price is announced or published by an Exchange or any other Price Source or otherwise.

**“Component”** means, in respect of a Commodity Index, any commodity, commodity options or commodity futures comprised in such Commodity Index. If the Commodity Index itself comprises or includes one or more other Indices, “Component” shall be read and construed as the relevant underlying commodity, commodity options or commodity futures.

**“Disappearance of Commodity Reference Price”** means, in respect of a Commodity Index, either (i) the permanent discontinuation of trading in any Component related to the Commodity Index on the relevant Exchange; (ii) the disappearance of, or of trading in, any Component related to the Commodity Index; or (iii) the disappearance or permanent discontinuance or unavailability of the relevant Commodity Reference Price of any Component of the relevant Commodity Index, notwithstanding the availability of the related Price Source or the status of trading in the relevant Component.

**“Disrupted Day”** means, in respect of a Commodity Index, any Scheduled Valuation Day on which any of the following occurs or exists with respect to such Commodity Index or Component of such Commodity Index: a Commodity Index Disruption; a Price Source Disruption; a Trading Disruption; a Disappearance of Commodity Reference Price; a Tax Disruption; a Material Change in Component Content; and/or a Material Change in Component Formula, unless otherwise specified in the Final Terms.

**“Exchange(s)”** means, in respect of a Commodity Index, (i) if “Non Multi-Exchange Index” is specified in the Final Terms, the Exchange specified in the Final Terms or, (ii) if “Non Multi-Exchange Index” is specified in the Final Terms and no Exchange is specified in the Final Terms or if “Multi-Exchange Index” is specified in the Final Terms, the exchange(s), quotation system(s) or principal trading market(s) (from time to time) for the relevant Components of the Commodity Index (or any successor to any such exchange, quotation system or principal trading market or any substitute exchange, quotation system or principal trading market) as determined by the Calculation Agent.

**“Expiration Date”** means, in respect of a Commodity Index, the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(1) of the General Conditions.

**“Hedging Arrangement”** means any hedging arrangements entered into by the Issuer, the

Guarantor and/or its Affiliates at any time with respect to the Notes, including without limitation the purchase and/or sale of any of the Components comprised in any of the Commodity Indices and any associated foreign exchange transactions.

**“Hedging Disruption Event”** means, unless otherwise specified in the applicable Final terms, each of (i) Disappearance of Commodity Reference Price, Tax Disruption, Price Source Disruption, Disappearance of Commodity Reference Price; (ii) any event in connection with which the Issuer, the Guarantor or any of its Affiliates is (or would be) unable, after using commercially reasonable efforts to hold, acquire or dispose of any Component of any of the Commodity Indices or to enter into, maintain, re-establish or unwind any Hedging Arrangement; (iii) realise, recover or remit the proceeds of any Component and/or Hedging Arrangement; and/or (iv) any other event specified as such in the applicable Final Terms.

**“Material Change in Component Content”** means, in respect of a Commodity Index, the occurrence since the Issue Date of a material change in the content, composition or constitution of any Component of such Commodity Index.

**“Material Change in Component Formula”** means, in respect of a Commodity Index, the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price of any Component of such Commodity Index.

**“Observation Date”** means, in respect of a Commodity Index, each date, if any, specified as such in the Final Terms, or if any such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Observation Period”** has the meaning ascribed to it in the Final Terms.

**“Price Source”** means, in respect of a Commodity Index and any Component of such Commodity Index, the publication (or such other origin of reference, including an Exchange or reference dealers) containing (or reporting) the Commodity Reference Price of such Component (or prices from which the Commodity Reference Price is calculated) used in the market for transactions relating to such Component as determined by the Calculation Agent.

**“Price Source Disruption”** means, in respect of a Commodity Index and any Component of such Commodity Index, (i) the failure of the relevant Price Source to announce or publish the Commodity Reference Price (or the information necessary for determining the Commodity Reference Price of such Component); (ii) the temporary or permanent discontinuance or unavailability of the Price Source; (iii) the inability to obtain a commodity reference price in respect of any Component under any Hedging Arrangement; or (iv) the occurrence of any other price source disruption under any Hedging Arrangement.

**“Scheduled Closing Time”** means in respect of the relevant Exchange(s) and a Commodity Business Day, the scheduled weekday closing time of the relevant Exchange(s) on such Commodity Business Day, without regard to after hours or any other trading outside of the regular trading session hours.

**“Scheduled Trading Day”** means, in respect of a Commodity Index, any day on which the relevant Commodity Index Sponsor is scheduled to publish the Commodity Index Level of such Commodity Index.

**“Scheduled Valuation Day”** means, in respect of a Commodity Index, a day that is both a Scheduled Trading Day in respect of the Commodity Index and a Commodity Business Day in respect of each Component of the Commodity Index.

**“Strike Date”** means the date (if any) specified as such in the Final Terms, or if such date is not a Scheduled Valuation Day, the next following Scheduled Valuation Day, in each case subject to Condition 5(l) of the General Conditions.

**“Strike Price”** means the price (if any) specified as such in the Final Terms.

**“Successor Commodity Index”** means, in respect of a Commodity Index, where the Commodity Index is (i) not calculated and announced by the relevant Commodity Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Commodity Index, such successor index or index calculated and announced by the successor sponsor.

**“Tax Disruption”** means, with respect to a Commodity Index and any Component of such Commodity Index, 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 such Component (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price of such Component on the day that would otherwise be a Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, from what it would have been without that imposition, change or removal.

**“Trading Disruption”** means, in respect of a Commodity Index and any Component of such Commodity Index, any material suspension of or material limitation imposed on trading in any such Component of the Commodity Index. For these purposes:

- (i) a suspension of the trading in any Component of the Commodity Index on any Commodity Business Day shall be deemed to be material only if:
  - (A) all trading in the relevant Component is suspended for the entire Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable; or
  - (B) all trading in the relevant Component is suspended subsequent to the opening of trading on the Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, trading does not recommence prior to the regularly scheduled close of trading in such Component on such Strike Date, Expiration Date, Averaging Date, Automatic Early Redemption Valuation Date or Observation Date, as applicable, and such suspension is announced less than one hour preceding its commencement; and
- (ii) a limitation of trading in the relevant Component 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 Component may fluctuate and the closing or settlement price of the relevant Component on such day is at the upper or lower limit of that range.

**“Valuation Time”** means the Scheduled Closing Time on the relevant date. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 5(l) of the General Conditions) the Valuation Time shall be such actual closing time.

### 3. Disrupted Days

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(l) as follows:

*“(l) Disrupted Days*

If the Calculation Agent determines that the Strike Date, the Expiration Date, any Averaging Date, any Automatic Early Redemption Valuation Date or any Observation Date, as the case may be, is a Disrupted Day in respect of any Commodity Index, then the Issuer may elect to:

- (i) postpone the Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date, Observation Date in respect of such Commodity Index, and/or the payment of the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable) and/or any amount of interest (if the payment of interest is index-linked), as the case may be, to such date as the Issuer may, in its discretion or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, acting in good faith and in accordance with reasonable market practice, determine; and/or
- (ii) determine the Commodity Index Level in respect of such Commodity Index for such Strike Date, the Expiration Date, such Averaging Date, such Automatic Early Redemption Valuation Date or such Observation Date, as the case may be. In determining the Commodity Index Level of any such Commodity Index, the Issuer, taking into account the relevant event, and in order to preserve the economic equivalent of the obligations of the Issuer under the Italian Bonds or Italian Certificates in relation to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market may take into account (i) the formula for and method of calculating the Commodity Index Level last in effect; (ii) the Commodity Reference Price or other relevant price or value determined by the Issuer in respect of the Components comprised in the Commodity Index in respect of such date; (iii) the latest available quotation for the relevant Commodity Reference Prices of the Components of the Commodity Index; (iv) the Commodity Reference Price in respect of any Component comprised in the Commodity Index in respect of such date determined under any Hedging Arrangement; and/or (v) any other price, value or other information that the Issuer in good faith deems relevant; and/or
- (iii) make an adjustment to any of the terms of the Notes and/or redeem the Notes pursuant to Condition 5(m)(i).

For the avoidance of doubt, no additional amounts shall be payable in respect of the postponement of any payment of the Final Redemption Amount, the Automatic Early Redemption Amount and/or any amount of interest in accordance with this Condition 5(l) of the General Conditions.

The Issuer shall give notice to the holders of the Notes, in accordance with Condition 10 of the General Conditions, of the occurrence of a Disrupted Day and of any election made pursuant to this Condition 5(l).”

#### **4. Adjustments, Consequences of Certain Events and Currency**

For the purposes of the Notes, Condition 5 of the General Conditions shall be amended by the addition of a new Condition 5(m) as follows:

*“(m) Adjustments, Early Redemption and Currency*

- (i) Currency Adjustments and Early Redemption

If the Calculation Agent determines that, in respect of any Commodity Index, an Additional Disruption Event, a Commodity Index Modification, Commodity Index Cancellation or Commodity Index Disruption, or any event specified in the definition of Disrupted Day has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), any Strike Price, any Commodity Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if any) (each such other event a “Relevant Event”), the Issuer, at its discretion, may:

- (a) make any adjustment or adjustments to the Final Redemption Amount, the Automatic Early Redemption Amount (if such amount is payable), any Strike Price, any Commodity Index Level and/or any other relevant term of the Notes (including the amount of interest payable, if

any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such events; and/or

- (b) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Additional Disruption Event, Commodity Index Modification, Commodity Index Cancellation, Commodity Index Disruption, or Relevant Event, as applicable, less, unless specified otherwise in the Final Terms, the cost to the Issuer, the Guarantor or any of its Affiliates of amending or liquidating any Hedging Arrangements, together with any costs, expenses, fees or taxes incurred by the Issuer or any of its Affiliates in respect of any such Hedging Arrangements and provided that such costs, expenses, fees or taxes shall not be deducted with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market.

Notice of any determination pursuant to this Condition 5(m)(i), any such adjustment and/or any redemption of the Notes hereunder shall be given to Noteholders in accordance with Condition 10 of the General Conditions.

(ii) Price Correction

In the event that any price or level published or announced on any relevant Exchange or by any relevant Commodity Index Sponsor in respect of a Commodity Index and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published or announced by the relevant Exchange or the relevant Commodity Index Sponsor within three Business Days (or such other period as specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

(iii) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency (whether relating to its convertibility into other currencies or otherwise and whether relating to the currency in which any Commodity Index, any Component of any Commodity Index and/or any Commodity Reference Price of any Component of any Commodity Index is quoted, listed and/or dealt on the relevant Price Source and/or Exchange or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the date on which any amount is payable by the Issuer and the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to the Final Redemption Amount, Strike Price and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary or, with respect to the Italian Bonds and to the Italian Certificates which are admitted to trading, or for which an application for admission to trading has been made or will be made, on an Italian Market, as determined by the Calculation Agent in good faith and in accordance with reasonable market practice with an aim of neutralising the distorting effects of such event. The Issuer shall give notice to the holders of the Notes of any such adjustment in accordance with Condition 10 of the General Conditions.”

## 5. Automatic Early Redemption

For the purposes of the Notes, if “Automatic Early Redemption” is specified as being applicable in the Final Terms, Condition 5 of the General Conditions shall be amended by the addition of a new

Condition 5(n) as follows:

*“(n) Automatic Early Redemption:*

Unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date or during any Observation Period the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date or (in the case of the occurrence of an Automatic Early Redemption Event during an Observation Period) on the date that is five Business Days (or such other period as is specified in the applicable Final Terms) following the occurrence of such Automatic Early Redemption Event, and in any such case the Final Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.”

**6. Commodity Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by any of the Commodity Indices or any of the Commodity Index Sponsors and none of the Commodity Index Sponsors has made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Commodity Index and/or the Commodity Index Levels at which the relevant Commodity Index stands at any particular time on any particular date or otherwise. None of the Commodity Index Sponsors shall be liable (whether in negligence or otherwise) to any person for any error in any Commodity Index and/or any Commodity Index Level and none of the Commodity Index Sponsors is under any obligation to advise any person of any error therein. The Commodity Index Sponsors have made no representation whatsoever whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer, nor the Guarantor nor the Calculation Agent shall have any liability to any person for any act or failure to act by any Commodity Index Sponsor in connection with the calculation, adjustment or maintenance of any Commodity Index. Unless otherwise specified in the applicable Final Terms, neither the Issuer, nor the Guarantor nor the Calculation Agent has any affiliation with or control over any of the Commodity Indices or any of the Commodity Index Sponsors or any control over the computation, composition or dissemination of the Commodity Indices. Although the Issuer, the Guarantor and the Calculation Agent will obtain information concerning the Commodity Indices from publicly available sources they believe to be reliable, they will not independently verify this information.

## PART 2: FORM OF FINAL TERMS FOR COMMODITY INDEX LINKED NOTES

*Set out below is the form of Final Terms which will be completed for each Tranche of Commodity Index Linked Notes issued under the Programme.*

Final Terms dated [●]

### ING Belgium International Finance SA

Issue of [Aggregate Nominal Amount of Tranche] [Number of Units]<sup>u</sup> [Title of Notes]

issued pursuant to a

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Dealer 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 35 of Part A below, provided such person is one of the persons mentioned in Paragraph 35 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that 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 in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Notes is anticipated.]

◇◇ [Only include if an exempt offer of Notes is anticipated.]

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single Commodity /Commodity Basket ] Index Linked Conditions set forth in Chapter 11, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base



Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

*<sup>#</sup>[Only include if Notes are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

*\*[Only include if the Notes are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[Only if Italian Bonds are to be admitted to trading on a regulated market situated or operating in Italy: The Italian Bonds offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Bonds” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Bonds].*

*[Only if Italian Certificates are to be offered to the public or to be admitted to trading on a regulated market or operating in Italy: The Italian Certificates offered hereby have been issued pursuant to the Base Prospectus provided that (i) all references to “Notes” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to “Italian Certificates” and (ii) all references to “Noteholders” in the relevant sections of the Base Prospectus and in these Final Terms shall be deemed to be references to holders of the Italian Certificates].*

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions set forth in Chapter 2, Part 1 and the [Single Commodity /Commodity Basket] Index Linked Conditions set forth in Chapter 11, Part 1 ([A/B]) of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the “Base Prospectus”]. This document constitutes the Final Terms of the Notes described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the “Prospectus Directive”)]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth herein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectuses may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))].

Prospective investors should carefully consider the section “Risk Factors” in the Base Prospectus.

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, or adding any other final terms or information, consideration should be given as to whether such terms or information constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

#### GENERAL DESCRIPTION OF THE NOTES

1. Issuer: ING Belgium International Finance S.A.
2. Guarantor: ING Belgium SA/NV
3. [(i)] Series Number: [●]  
 [(ii)] Tranche Number: [●]  
*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)]*
4. Specified Currency or Currencies: [●]
5. Aggregate Nominal Amount [of Notes admitted to trading]\*\*: [●] [Units]<sup>u</sup>  
 (i) Tranche: [●] [Units]<sup>u</sup>  
 (ii) Series: [●] [Units]<sup>u</sup>  
*(If amount is not fixed, need to give description of the arrangements and time for announcing to the public the amount of the offer here)*
6. Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)] [plus accrued interest of [●] in respect of the [notes/bonds/commodities/commodity futures] underlying the Notes, making a total Issue Price of [●] per [●] in Nominal Amount of the Notes (if there is an interest bearing obligation (such as a Reference Obligation in the case of Credit Linked Notes))]  
 [[●] per Unit]<sup>u</sup>
7. Offer price, offer period and application process: [Applicable/Not Applicable]  
*(If applicable state that the offer price will be equal to the Issue Price or give an indication of the expected price at which the Notes will be offered or the method of determining the price and its process for disclosure)*  
*[If applicable, use the following text amended/completed as appropriate: The subscription period for the Notes is from and including [●] ([●] CET) to and including [●] ([●] CET). The Issuer reserves the right [to close the subscription period earlier/to extend the subscription period].]*  
*Investors may subscribe for the Notes through branches of the Principal Paying Agent and/or the Guarantor [and [●] in [●]]. Investors may not be allocated all of the Notes for which they apply. The offering may, at the discretion of the Issuer, be*

- cancelled at any time prior to the Issue Date.)]*  
*(If relevant give time period during which the offer will be open and description of the application process)*  
*(If relevant mention the settlement date for each of the offer periods and the accrued interests payable by the investors)*  
*(If relevant need to give a description of the possibility of reducing subscriptions and the manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised).*  
*[See further paragraph 35]*
8. Details of minimum and maximum amount of application: [Applicable/Not Applicable]  
*(If relevant need to give details of the minimum and/or maximum amount of application permitted)*  
*(Can be given either in number of Notes or aggregate amount to invest)*
9. (i) Specified Denominations: [●] [1 unit per Note]<sup>u</sup>  
*[Where multiple denominations above EUR 100,000 (or equivalent) are being used the following sample wording should be followed: [EUR 100,000] and integral multiples of [EUR1,000] in excess thereof [up to and including [EUR 199,000].*
- (ii) Calculation Amount: [Not Applicable]  
 [Applicable]  
*[If only one Specified Denomination or where the Notes are issued in unitized form, state not applicable. If more than one Specified Denomination, state applicable and insert the highest common factor]*
10. [(i)] Issue Date [and Interest Commencement Date]: [●]  
 [(ii)] Interest Commencement Date (if different from the Issue Date): [●]
11. Maturity Date: [[●] Fixed rate - specify date/Floating rate – The Interest Payment Date falling in or nearest to[●] [specify month and year]]
12. Interest Basis: [[●] per cent.- Fixed Rate]  
 [[LIBOR/EURIBOR] +/- [●] per cent.Floating Rate]  
 [Zero Coupon] [Dual Currency Interest] [Variable-linked Interest] [specify other]  
 (further particulars specified below)
13. Redemption/Payment Basis: [Redemption at par] [Dual Currency Redemption]  
 [Partly Paid][Instalment][specify other]

- (further particulars specified below)
14. Change of Interest Basis or Redemption/  
Payment Basis: [Not Applicable]  
[Applicable] [*Specify details of any provision for  
change of Notes into another interest or redemption  
payment basis*]
15. Put/Call Options: [Not Applicable]  
[Noteholder Put] [Issuer Call]  
[(further particulars specified below)]
16. Status of the Notes: Senior
17. Method of distribution: [Syndicated/Non-syndicated]

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

18. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the  
remaining sub-paragraphs of this paragraph)*
- (i) Rate[(s)] of Interest: [●] per cent. per annum  
*(If payable other than annually, consider amending  
Condition 3 of the General Conditions)*
- (ii) Interest Payment Date(s): [[●] in each year up to and including the Scheduled  
Maturity Date]/[specify other] [, subject to adjustment  
in accordance with [specify Business Day Convention]  
(as defined in Condition 3(b) of the General  
Conditions)]  
*(NB: This will need to be amended in the case of long  
or short coupons)*
- (iii) Fixed Coupon Amount(s): [[●] per [●] in Nominal Amount] [For each Fixed  
Interest Period, as defined in Condition 3(a) of the  
General Conditions, the Fixed Coupon Amount will be  
an amount equal to the [Specified Denomination/  
Calculation Amount] multiplied by the Rate of Interest  
multiplied by the Day Count Fraction with the  
resultant figure being rounded to the nearest sub-unit  
of the Specified Currency, half of any such sub-unit  
being rounded [upwards/downwards]]
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken  
interest amounts per Specified Denomination (or  
Calculation Amount if one is specified in these Final  
Terms) which do not correspond with the Fixed  
Coupon Amount[s] and specify which Interest  
Payment Date(s) they are payable on]*
- (v) Day Count Fraction: [30/360 or Bond Basis or Actual/Actual [(ICMA)] or  
specify other]  
*[If using Day Count Fraction other than 30/360 or  
Bond Basis or Actual/Actual (ICMA), then either  
define it here or (if it is used in Condition 3(b) of the  
General Conditions) specify it has the meaning  
ascribed in Condition 3(b) of the General Conditions.]*
- (vi) Determination Date(s): [●] in each year

*[Insert regular interest payment dates ignoring issue date or maturity date in the case of a long or short first or last coupon]*

*(NB: This will need to be amended in the case of regular interest payment dates which are not of equal duration)*

*(NB: Only relevant where Day Count Fraction is Actual/Actual (ICMA))*

- (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes:

[None/Aggregate Nominal Amount Determination is applicable/Give details]

*(Specify Aggregate Nominal Amount Determination if, when interest is to be determined for a period other than a Fixed Interest Period, it is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*

19. **[Floating Rate/Variable-linked Interest] Note Provisions:**

[Applicable/Not Applicable]

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

- (i) Specified Period(s)/Specified Interest Payment Dates:

[●]

- (ii) Business Day Convention:

[Floating Rate Convention/Following Business Day Convention (Adjusted)/Following Business Day Convention (Unadjusted)/Modified Following Business Day Convention (Adjusted)/Modified Following Business Day Convention (Unadjusted)/Preceding Business Day Convention (Adjusted)/ Preceding Business Day Convention (Unadjusted) *[specify other]*]

- (iii) Additional Business Centre(s):

[No Additional Business Centres/*specify other*]

- (iv) Manner in which the Rate of Interest and Interest Amount(s) is/are to be determined for [Floating Rate Notes/Variable-linked Interest Notes]:

*[Screen Rate Determination/ISDA Determination/specify other e.g. in case of Variable-linked Interest Notes describe formula and/or give other details]*

- (v) Party responsible for calculating the Rate of Interest and Interest(s) Amount:

[Calculation Agent/*specify other*]

- (vi) Screen Rate Determination:

[Applicable/Not Applicable]

- Reference Rate:

[●]

*(Either LIBOR, EURIBOR or other, although additional information is required if other - including any amendment to fallback provisions in the General Conditions)*

- Interest Determination Date(s):

[●]

*(Second London business day prior to the start of each Interest Period if LIBOR (other than euro LIBOR or*

*Sterling LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)*

- Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (xv) ISDA Determination: [Applicable/Not Applicable]
    - Floating Rate Option: [●]
    - Designated Maturity: [●]
    - Reset Date: [●]
  - (xvi) Margin(s): [ +/- ] [●] per cent. per annum
  - (xvii) Minimum Rate of Interest: [●] per cent. per annum
  - (xviii) Maximum Rate of Interest: [●] per cent. per annum
  - (xix) Day Count Fraction: [Actual/Actual; Actual/Actual (ISDA); Actual/365 (Fixed); Actual/365 (Sterling); Actual/360; 30/360; 360/360; Bond Basis; 30E/360; Eurobond Basis; 30E/360 (ISDA)]  
[Other - specify]  
*(see Condition 3 of the General Conditions for alternatives)]*
  - (xx) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the General Conditions: [None/Aggregate Nominal Amount Determination is applicable/Give details]  
*(Specify Aggregate Nominal Amount Determination if the Interest Amount is to be determined on the basis of the aggregate nominal amount of the series of Notes outstanding rather than on the basis of the Specified Denomination (or the Calculation Amount if one is specified in these Final Terms))*
20. **Zero Coupon Note Provisions:** [Applicable/Not Applicable]  
*(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Early Redemption Amount: [Amortised Face Amount in accordance with Condition 5(e)(iii) of the General Conditions, and Accrual Yield is [●] per cent. per annum and Reference Price is [●]]  
[Fair Market Value in accordance with Condition 5(e)(iv) of the General Conditions]  
*(If using Fair Market Value, specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by*

*the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*

- (ii) Reference Price: [●]
  - (iii) Any other formula/basis of determining amount payable: [●]
  - (iv) Day Count Fraction in relation to Early Redemption Amounts and late payment: [Condition 5(j) of the General Conditions applies/ specify other]  
(Consider applicable Day Count Fraction if not U.S. dollar denominated)
21. **Dual Currency Interest Note Provisions:** [Applicable/Not Applicable]  
(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [give details]
  - (ii) Calculation Agent, if any, responsible for calculating the interest payable (if other than the Guarantor): [●]
  - (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: [●]
  - (iv) Person at whose option Specified Currency(ies) is/are payable: [●]  
(If Notes other than Medium Term Notes bear interest, specify the necessary interest provisions in paragraphs 18, 19, 20 or 21, as appropriate)

#### PROVISIONS RELATING TO REDEMPTION

22. Issuer Call: [Applicable/Not Applicable] (If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): [●]
  - (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination]  
[Calculation Amount][Unit]<sup>u</sup>
  - (iii) If redeemable in part:
    - (a) Minimum Redemption Amount of each Note: [●]
    - (b) Maximum Redemption Amount of each Note: [●]
  - (iv) Notice period (if other than as set out in the General Conditions): [●]  
(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is

- advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
23. Noteholder Put: [Applicable/Not Applicable] *(If not applicable, state not applicable and delete the remaining sub-paragraphs of this paragraph)*
- (i) Optional Redemption Date(s): [●]
- (ii) Optional Redemption Amount of each Note and method, if any, of calculation of such amount(s) of each Note: [●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup>
- (iii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
24. Final Redemption Amount of each Note: [[●] per [Note of [●] Specified Denomination] [Calculation Amount] [Unit]<sup>u</sup> /specify other]
- (For Italian Certificates only:)*
- (i) Renouncement Notice Date [Not Applicable/specify]
25. Other:
- (i) Early Redemption Amount of each Note payable on redemption for taxation reasons or on Issuer event of default and/or the method of calculating the same (if required or if different from that set out in Condition 5(e) of the General Conditions): [●]  
 [Early Redemption Amount to be equal to Fair Market Value as set out in Condition 5(e) of the General Conditions]  
*(Specify if the fair market value of the Note is not to be determined two Business Days prior to the date fixed for redemption)*  
*(If using Fair Market Value, specify if the liquidation value (if any), whether positive or negative, of any financial instruments or transactions entered into by the Issuer in connection with the Note, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions, are not to be taken into account when determining Fair Market Value)*
- (ii) Notice period (if other than as set out in the General Conditions): [●]  
*(N.B. If setting notice periods which are different to those provided in the General Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as*



- (iii) Other (Condition 5(k) of the General Conditions):

*between the Issuer and the Agent)*

[Applicable/Not Applicable] *[If the Notes are to be redeemed in circumstances not specified in the General Conditions (for example, if they are to be subject to automatic redemption if an interest rate benchmark exceeds a certain level), specify those here]*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

26. Form of Notes:  
New Global Note:
- [Bearer Notes:  
[Yes/No] *(Elect “yes” opposite “New Global Note” only if you have elected “yes” to the Section in Part B under the heading “Operational Information” entitled “Intended to be held in a manner which would allow Eurosystem eligibility”)*  
[Permanent Global Note not exchangeable for Definitive Notes]
27. Additional Financial Centre(s) or other special provisions relating to Payment Days:
- [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which sub-paragraphs 19(i) and 19(iii) relate)*
28. 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/give details]  
*(N.B. A new form of Permanent Global Note may be required for Partly Paid issues)*
29. Details relating to Instalment Notes:
- (i) Instalment Amount(s): [Not Applicable/give details]
- (ii) Instalment Date(s): [Not Applicable/give details]
30. Other final terms:
- [Not Applicable/give details, if necessary by means of an Annex to these Final Terms]  
[specify Calculation Agent if other than Guarantor]  
*(when adding any other final terms consideration should be given as to whether such terms constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

## DISTRIBUTION

31. (i) If syndicated, names [and addresses]\* of Managers [and underwriting commitments]\*:
- [Not Applicable/give names, addresses and underwriting commitments]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the*

- Managers.)*  
*(Where not all of the issue is underwritten, indicate the portion not covered)*
- (ii) [Date of Syndication Agreement: [●]]\*
32. If non-syndicated, name [and address]\* of relevant Dealer: [specify name [and address]\* of dealer/Not Applicable. The Notes are not being underwritten by any Dealer(s). (i.e. if Notes are to be directly sold by the Issuer)]  
*(Where not all of the issue is underwritten, indicate the portion not covered)*
33. Total commission and concession: [●] per cent. of the Aggregate Nominal Amount\*\*\*
34. Additional selling restrictions: [●]  
*[Include the following text for Notes offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.***  
*[Include the following text for Notes not offered to the public but privately placed in Switzerland: **Switzerland: The Notes may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Notes may be offered or distributed in connection with any such offering or distribution.***
35. (i) Simultaneous offer: [Not Applicable/give details]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche)*
- (ii) Non-exempt offer: [Not Applicable] [An offer of Notes may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) – which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] (“Public Offer Jurisdictions”) during the period from [specify date] until [specify date] (“Offer Period”). See further paragraph 7.
36. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is [●]

made:

### 37. **FX, BENCHMARK, FX CONVERTIBILITY EVENT, FX TRANSFERABILITY EVENT AND TAX EVENT PROVISIONS**

- (i) FX Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]* [Not Applicable]
  - Fallback FX Rate: *[specify, including the time of day on which the exchange rate is to be taken]* [Not Applicable]
  - FX Market Disruption Event Period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
  - Maximum Period of Postponement: *[specify if other than the period which begins on a Scheduled Valuation Date or on any other date on which an amount is to be determined by reference to the Primary FX Rate and ends on the first calendar day following the period of 30 calendar days following such Scheduled Valuation Date or such other date]* [In accordance with Condition 15 of the General Conditions]
  - Unscheduled Holiday postponement period: *[specify if other than the period ending 30 calendar days following the relevant Scheduled Valuation Date or the other relevant date on which any amount is to be determined by reference to the Primary FX Rate]* [In accordance with Condition 15 of the General Conditions]
  - Unscheduled Holiday Jurisdiction: *[specify]* [Not Applicable]
  - Relevant FX Amount payment date: *[specify if Relevant FX Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent]* [In accordance with Condition 15 of the General Conditions]
  - Relevant Currency: *[specify]*
- (ii) Benchmark Provisions:** *[specify as applicable or delete if N/A]*
- Scheduled Valuation Date: *[specify]*
  - Primary Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Fallback Benchmark: *[specify including the time of day on which the benchmark is to be measured]* [Not Applicable]
  - Relevant Benchmark Amount Postponement Provisions: [Applicable/Not Applicable]
  - Maximum period of postponement of Relevant Benchmark Amount calculation: *[specify if other than eight Business Days]* [In accordance with Condition 15 of the General Conditions]

- Relevant Benchmark Amount payment date: *[specify if Relevant Benchmark Amount not to be paid two Business Days following the day on which it is determined by the Calculation Agent] [In accordance with Condition 15 of the General Conditions]*

- Relevant Currency: *[specify]*

**(iii) FX Convertibility Event**

**Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify]*
- Other: *[Applicable / Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(iv) FX Transferability Event**

**Provisions:** *[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify] [Not Applicable]*
- Other: *[Applicable / Not Applicable] [If the Issuer is not to be entitled to all amounts in any account opened by it pursuant to Condition 15(c)(i) of the General Conditions if it cannot or cannot reasonably make payment on the Notes for a period of five years from the date on which payment was originally due to be made, or if a period other than five years is to apply, then give details here]*

**(v) Tax Event Provisions:**

*[specify as applicable or delete if N/A]*

- Relevant Currency: *[specify]*
- Relevant Jurisdiction: *[specify] [Not Applicable]*
- Any changes to Condition 15 (d): *[specify / None]*

**COMMODITY INDEX LINKED PROVISIONS**

38. *[The following apply to Notes linked to a single commodity index only:* *(Consider need to clearly specify final Commodity Index Level)*

Other (Definition of Additional Disruption Event)

*[Applicable/Not Applicable/specify]*

Change in Law

*[Applicable/Not Applicable/specify]*

Hedging Disruption

*[specify / None]*

Other Additional Disruption Events, if any

Automatic Early Redemption:

*[Applicable/ Not Applicable]*

*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*

- Automatic Early Redemption Amount: *[specify or delete if N/A]*
- Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*  
*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
- Automatic Early Redemption Event: *[greater than/ greater than or equal to/ less than/ less than or equal to/ other-specify] [complete as appropriate]*
- Automatic Early Redemption Level: *[specify or delete if N/A]*
- Automatic Early Redemption Rate: *[specify or delete if N/A]*
- Automatic Early Redemption Valuation Date(s): *[specify date(s) or delete if N/A]*
- Averaging Dates: *[specify dates or delete if N/A]*
- Barrier Level: *[specify as [[●] per cent. of Initial Commodity Index Level] or delete if N/A]*
- Business Day: *[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) which is a TARGET Business Day]]]*
- Constant Monitoring: *[specify as applicable and delete "Official Closing Level Only" below or delete if N/A]*
- Exchange(s): *[specify if Non-Multi Exchange Index, otherwise no need to complete]*
- Expiration Date: *[specify or delete if N/A]*
- Commodity Index: *[specify]*
- Initial Commodity Index Level: *[specify as [the Commodity Index Level on the Strike Date] or delete if N/A]*
- Multi-Exchange Index: *[Yes/No]*
- Non Multi-Exchange Index: *[Yes/No]*
- Observation Date(s): *[specify or delete if N/A]*
- Observation Period: *[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]] or delete if N/A]*
- Official Closing Level Only: *[specify as applicable and delete "Constant Monitoring" above or delete if N/A]*
- Strike Date: *[specify or delete if N/A]*
- Strike Price: *[specify or delete if N/A]*  
*[Insert any other relevant terms]]*

39. ***[The following apply to Notes linked to a basket of commodity indices only:*** *(Consider need to clearly specify final Commodity Index Level)*
- Other (Definition of Additional Disruption Event) [Applicable/Not Applicable/specify]
- Change in Law [Applicable/Not Applicable/specify]
- Hedging Disruption [specify / None]
- Other Additional Disruption Events, if any
- Automatic Early Redemption: [Applicable/ Not Applicable]  
*[If not applicable, state not applicable and delete the automatic early redemption provisions which follow]*
- Automatic Early Redemption Amount: *[specify or delete if N/A]*
  - Automatic Early Redemption Date(s): *[specify date(s) or delete if N/A]*  
*[If Notes may be redeemed as a result of an Automatic Early Redemption Event during an Observation Period, then specify if redemption is not to take place five Business Days after the Automatic Early Redemption Event]*
  - Automatic Early Redemption Event: *[specify whether the Automatic Early Redemption Event is triggered by the Level of one or more Commodity Indices in the Basket; specify the applicable Commodity Index/Commodity Indices ]*  
*[greater than/ greater than or equal to/ less than/ less than or equal to/ other-specify]*  
*[complete as appropriate]*
  - Automatic Early Redemption Level(s): *[specify or delete if N/A]*
  - Automatic Early Redemption Rate: *[specify or delete if N/A]*
  - Automatic Early Redemption Valuation Date(s): *[specify date(s) or delete if N/A]*
  - Averaging Dates: *[specify dates or delete if N/A]*
  - Barrier Level: *[specify as [[●] per cent. of Initial Commodity Index Level] or delete if N/A]*
  - Basket: *[specify names of Commodity Indices and their weightings]*  
*[indicate which are Multi-Exchange Indices and which are Non Multi-Exchange Indices]*
  - Business Day: *[specify as [a day on which (i) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in [●] [and (ii) which is a TARGET Business Day].*
  - Constant Monitoring: *[specify as applicable and delete “Official Closing Level Only” below or delete if N/A]*
  - Exchange(s): *[specify if any Non Multi-Exchange Indices, otherwise*

- no need to complete]*
- Expiration Date: *[specify or delete if N/A]*
  - Initial Commodity Index Level: *[specify as [the Commodity Index Level on the Strike Date] or delete if N/A]*
  - Observation Date(s): *[specify or delete if N/A]*
  - Observation Period: *[specify as [the period from and including the Issue Date, Strike Date or [●] to and including the Expiration Date or [●]] or delete if N/A]*
  - Official Closing Level Only: *[specify as applicable and delete “Constant Monitoring” above or delete if N/A]*
  - Strike Date: *[specify or delete if N/A]*
  - Strike Price: *[specify or delete if N/A]*
- [Insert any other relevant terms]]*

### PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange/ the Italian Stock Exchange/specify relevant regulated market] of the Notes described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

### RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
*Duly authorised*

By: .....  
*Duly authorised*

### PART B – OTHER INFORMATION

#### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [The Official List of the Luxembourg Stock Exchange/  
Italian Stock Exchange MOT/Italian Stock Exchange  
SeDeX/other (specify)/ None]
- (ii) Admission to trading: [Application [has been made] [will be made] for the Notes  
to be admitted to trading on [the Regulated Market of the  
Luxembourg Stock Exchange/ Italian Stock Exchange  
MOT/Italian Stock Exchange SeDeX/other (specify)] with  
effect from [●][the first day of “as-if-when-issued-  
trading”].]  
[Not Applicable.]  
[(Where documenting a fungible issue need to indicate that

- original securities are already admitted to trading) \*]*
- (iii) As-if-and-when-issued-trading: [Three Business Days preceding the Issue Date/Not Applicable\$
- (iv) Estimate of total expenses related to admission to trading:\*\* [●]\*\*
- (v) [Minimum Transferable Amount][Applicable / Not Applicable]  
applicable only to Italian Certificates to be listed on SeDeX or on other markets which provide so]

## 2. RATINGS

Ratings:

The Issuer has not been assigned any rating.

Neither the Programme nor the issue of this Tranche of Notes has been rated.

The Guarantor has a senior debt rating from Standard & Poor's Credit Market Services Europe Limited ("Standard & Poor's") of A+ (outlook stable), a senior debt rating from Moody's France SAS ("Moody's") of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. ("Fitch") of A+ (outlook stable)

## 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the "CSSF") has provided the Financial Services and Markets Authority in Belgium, the competent authority of Belgium, with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

## 4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

"Save as discussed in "Subscription and Sale" in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer."

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

- (i) Reasons for the offer [●]  
*(See "Use of Proceeds" wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here)]*
- (ii) Estimated net proceeds [●]  
*(If proceeds are intended for more than one use will need*



*to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)*

(iii) Estimated total expenses

[●]. *[Include breakdown of expenses]*

*(If the Notes are derivative securities to which Annex XII of the Prospectus Directive Regulation applies it is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above.)*

*[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]*

## **6. [YIELD (Fixed Rate Notes only)]**

Indication of yield:

[●]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]\*\*\**

*As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]*

## **7. [HISTORIC INTEREST RATES (Floating Rate Notes only)\*]**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters] Screen Page [●] .]

*If the Notes have a derivative component in the interest payment (as described in paragraph 12 of Part A or elsewhere), need to include a clear and comprehensive explanation to help investors understand how the value of their investment is affected by the value of the underlying instrument(s) and provide details on the underlying instrument(s).*

## **8. INFORMATION CONCERNING THE UNDERLYING**

*[Need to include details of where information on the past and future performance and volatility of the underlying commodity and/or commodity futures can be obtained, and (unless the Notes have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]*

## **9. [PERFORMANCE OF RATE[S] OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT (Dual Currency Notes only)\*]**

*Need to include details of where past and future performance and volatility of the relevant rate[s] can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident]*

## **10. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

## **11. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**12. OPERATIONAL INFORMATION**

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes/No]  
[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories 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.][include this text if “yes” selected in which case the Notes must be issued in New Global Note form]
- (ii) ISIN CODE: [•]
- (iii) Common Code: [•]
- (iv) Other relevant code: [•] [Not Applicable]
- (v) Clearing system(s): [Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme] [Monte Titoli] [Other] [Not Applicable]
- (vi) Delivery Delivery [against/free of] payment  
(Include details of any other method and time limits for paying up and delivering the Notes)
- (vii) Names and addresses of additional Paying Agent(s) (if any): [•]
- (viii) Name and address of Calculation Agent: [ING Belgium SA/NV, 24 avenue Marnixlaan, B-1000 Brussels] [Other]

**13. FURTHER ADDITIONAL INFORMATION**

[Unless otherwise provided in the Final Terms, the Issuer may provide in this section additional information in relation to Italian Bonds and Italian Certificates in relation to, including but not limited to, third party distributors, placement and structuring fees, information on subdivision of bond and derivative components of the Issue Price, the liquidity of the Notes and repurchase arrangements and indications of the potential annual yields of the Notes on the basis of different scenarios.

(when adding additional information consideration should be given as to whether such information constitutes a “significant new factor” and consequently triggers the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)]

**Notes:**

- [\* Not required if (i) the minimum denomination is at least EUR 100,000 and the Notes are not “derivatives” for the purposes of the Prospectus Directive, or, (ii) the minimum denomination is at least EUR 100,000, the Notes are “derivatives” for the purposes of the Prospectus Directive and there is no listing on an EEA regulated market.]
- [\*\* Not required if the minimum denomination is less than EUR 100,000]
- [\*\*\* Not required if the minimum denomination is at least EUR 100,000]
- [<sup>u</sup> Not required if the Notes are not issued in unitized form]

## CHAPTER 12 - WARRANTS

### PART 1 - TERMS AND CONDITIONS OF THE WARRANTS

*The following are the Terms and Conditions of the Warrants issued by the ING Belgium International Finance S.A. (the “Issuer”) under the unconditional and irrevocable guarantee of ING Belgium SA/NV (the “Guarantor”) which will be attached to each Global Warrant and which will be subject to completion and/or amendment in the applicable Final Terms. In the event of any inconsistency between the terms and conditions below and the Final Terms, the Final Terms shall prevail.*

The Warrants of this series (such Warrants being hereinafter referred to as the “Warrants”) are constituted by a global warrant (the “Global Warrant”) in bearer form and in the currency in which payment in respect of the Warrants is to be made (the “Specified Currency”), all as specified in the applicable Final Terms and are issued pursuant to a Master Warrant Agreement dated as of 29 June 2012 (the “Warrant Agreement”) (as modified, supplemented and/or restated as at the issue date of the Warrants, between the Issuer and ING Belgium SA/NV as principal warrant agent (the “Principal Warrant Agent”, which expression shall include any additional or successor principal warrant agent) and the other warrant agents named therein (together with the Principal Warrant Agent, the “Warrant Agents”, which expression shall include any additional or successor warrant agents).

The Principal Warrant Agent shall undertake the duties of calculation agent (the “Calculation Agent”) in respect of the Warrants as set out below and in the applicable Final Terms unless another entity is so specified as calculation agent in the applicable Final Terms. The expression Calculation Agent shall, in relation to the relevant Warrants, include such other specified calculation agent.

No Warrants in definitive form will be issued. The Global Warrant has been deposited with a depositary (the “Common Depositary”) common to Clearstream Banking, société anonyme (“Clearstream, Luxembourg”) and Euroclear Bank S.A./N.V. (“Euroclear”) or with such other clearing system as may be specified in the applicable Final Terms for an issue.

The applicable Final Terms for the Warrants are attached to the Global Warrant and supplement these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, supplement, replace or modify these Terms and Conditions for the purposes of the Warrants.

References herein to the “applicable Final Terms” are to the Final Terms attached to the Global Warrant.

Copies of the Warrant Agreement and the applicable Final Terms may be obtained during normal office hours from the specified office of the Issuer, the Principal Warrant Agent or the Luxembourg Warrant Agent.

Words and expressions defined in the Warrant Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated.

The Warrantholders (as defined in Condition 1(B)) are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Warrant Agreement (insofar as they relate to the Warrants) and the applicable Final Terms, which are binding on them.

#### **1. Type, Title and Transfer**

##### **(A) Type**

The Warrants are Index Warrants, Share Warrants, Debt Warrants, Currency Warrants, Commodity Warrants or any other or further type of warrants as is specified in the applicable Final Terms.

Certain terms which will, unless otherwise varied in the applicable Final Terms, apply to Index Warrants, Share Warrants, Debt Warrants, Commodity Warrants and Currency Warrants are set out in Condition 14.

The applicable Final Terms will indicate whether the Warrants are American style Warrants (“American Style Warrants”) or European style Warrants (“European Style Warrants”) or such other type as may be specified in the applicable Final Terms, whether settlement shall be by way of cash payment (“Cash Settled Warrants”) or physical delivery (“Physical Delivery Warrants”), whether the Warrants are call Warrants (“Call Warrants”) or put Warrants (“Put Warrants”), or such other type as may be specified in the applicable Final Terms, whether the Warrants may only be exercised in Units and whether Averaging (“Averaging”) will apply to the Warrants. If Units are specified in the applicable Final Terms, Warrants must be exercised in Units and any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect. If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Warrants shall be deemed to include references to Physical Delivery Warrants which include an option (as set out in the applicable Final Terms) at the Issuer’s election to request cash settlement of such Warrants and where settlement is to be by way of cash payment, and references in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Warrants shall be deemed to include references to Cash Settled Warrants which include an option (as set out in the applicable Final Terms) at the Issuer’s election to request physical delivery of the relevant underlying asset in settlement of such Warrants and where settlement is to be by way of physical delivery.

Warrants may allow holders to elect for settlement by way of cash payment or by way of physical delivery or by such other method of settlement as is specified in the applicable Final Terms. Those Warrants where the holder has elected for cash payment will be Cash Settled Warrants and those Warrants where the holder has elected for physical delivery will be Physical Delivery Warrants. The rights of a holder as described in this paragraph may be subject to the Issuer’s right to vary settlement as indicated in the applicable Final Terms.

(B) *Title to Warrants*

Each person who is for the time being shown in the records of Clearstream, Luxembourg or of Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms as the holder of a particular amount of Warrants (in which regard any certificate or other document issued by Clearstream, Luxembourg or Euroclear or such other clearing system(s) as to the amount of Warrants standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and the Warrant Agents as the holder of such amount of Warrants for all purposes (and the expressions “Warrantholder” and “holder of Warrants” and related expressions shall be construed accordingly).

(C) *Transfers of Warrants*

All transactions (including transfers of Warrants) in the open market or otherwise must be effected through an account at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms subject to and in accordance with the rules and procedures for the time being of Clearstream, Luxembourg and/or of Euroclear and/or such other clearing system(s), as the case may be. Title will pass upon registration of the transfer in the books of Clearstream, Luxembourg and/or Euroclear and/or such other clearing system(s), as the case may be. Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 5.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or any other clearing system(s) specified in the applicable Final Terms shall, whenever the context so permits, be deemed

to include a reference to any additional or alternative clearing system approved by the Issuer and the Principal Warrant Agent from time to time and notified to the Warrantholders in accordance with Condition 10.

## 2. Status of the Warrants

The Warrants constitute direct, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves and (save for certain debts required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer from time to time outstanding.

## 3. Definitions

For the purposes of these Terms and Conditions, the following general definitions will apply:

“**Actual Exercise Date**” means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 6(A)(ii), the date during the Exercise Period on which the Warrant is actually or is deemed exercised (in the case of American Style Warrants (as more fully set out in Condition 4(A)(i)));

“**Averaging Date**” means each date (if any) specified as an Averaging Date in the applicable Final Terms, commencing on the relevant date set forth in the Final Terms and ending on the relevant date set forth in the Final Terms, or if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day (as set out in Condition 14). If the Calculation Agent determines that such day is a Disrupted Day then:

- (i) where the Warrants are Index Warrants relating to a single Index or Share Warrants relating to a single Share, the Averaging Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Averaging Date, is a Disrupted Day. In that case (A) that eighth Scheduled Trading Day shall be deemed to be the Averaging Date notwithstanding the fact that such day is a Disrupted Day and (B) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a) of the definition of “Valuation Date” below;
- (ii) where the Warrants are Index Warrants relating to a Basket of Indices or Share Warrants relating to a Basket of Shares, the Averaging Date for each Index or Share not affected by a Disrupted Day shall be the originally designated Averaging Date (the “Scheduled Averaging Date”) and the Averaging Date for an Index or Share affected by a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in relation to such Index or Share unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Averaging Date, is a Disrupted Day for such Index or Share. In that case (A) that eighth Scheduled Trading Day shall be deemed the Averaging Date for that Index or Share notwithstanding the fact that such day is a Disrupted Day in relation to such Index or Share and (B) the Calculation Agent shall determine the relevant level or amount for that Averaging Date in accordance with sub-paragraph (b) of the definition of “Valuation Date” below; and
- (iii) where the Warrants are Debt Warrants, Currency Warrants or Commodity Warrants, provisions for determining the Averaging Date in the event of a Disrupted Day occurring will be set out in the applicable Final Terms;

“**Business Day**” means (i) 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 relevant Business Day Centre(s) and Clearstream, Luxembourg and Euroclear and/or any other clearing system(s) specified in the applicable Final Terms are open for business and (ii) for the purposes of making payments in euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open;

**“Cash Settlement Amount”** means, in relation to Cash Settled Warrants, the amount to which the Warrantholder is entitled in the Settlement Currency in relation to each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, as determined by the Calculation Agent pursuant to Condition 4;

**“Entitlement”** means, in relation to a Physical Delivery Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Warrantholder is entitled to receive on the Settlement Date in respect of each such Warrant or Unit, as the case may be, following payment of the Exercise Price (and any other sums payable) rounded down as provided in Condition 4(C)(i), as determined by the Calculation Agent, including any documents evidencing such Entitlement;

**“Scheduled Trading Day”** means any day on which the relevant Exchange(s) and each relevant Related Exchange are scheduled to be open for trading for their regular trading sessions;

**“Settlement Date”** means

- (a) in relation to Cash Settled Warrants:

in relation to each Actual Exercise Date, (i) where Averaging is not specified in the applicable Final Terms, the fifth Business Day following the Valuation Date provided that if the Warrants are Index Warrants relating to a Basket of Indices or Share Warrants relating to a Basket of Shares and a Disrupted Day (as defined in Condition 14) has resulted in a Valuation Date for one or more Indices or Shares, as the case may be, being adjusted as set out in the definition of “Valuation Date” below, the Settlement Date shall be the fifth Business Day next following the last occurring Valuation Date in relation to any Index or Share, as the case may be, or (ii) where Averaging is specified in the applicable Final Terms, the fifth Business Day following the last occurring Averaging Date provided that where the Warrants are Index Warrants relating to a Basket of Indices or Share Warrants relating to a Basket of Shares and a Disrupted Day (as defined in Condition 14) has resulted in an Averaging Date for one or more Indices or Shares, as the case may be, being adjusted as set out in the definition of “Averaging Date” above, the Settlement Date shall be the fifth Business Day next following the last occurring Averaging Date in relation to any Index or Share, as the case may be, or such other date as is specified in the applicable Final Terms; and

- (b) in relation to Physical Delivery Warrants:

the date specified as such in the applicable Final Terms;

**“Settlement Price”** means, in relation to each Cash Settled Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be:

- (a) in respect of Index Warrants, subject to Condition 14(A) and as referred to in “Valuation Date” below or “Averaging Date” above, as the case may be:
  - (i) in the case of Index Warrants relating to a Basket of Indices, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the sum of the values calculated for each Index as the official closing level for each Index as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of each Index determined by the Calculation Agent as set out in the applicable Final Terms at the Relevant Time 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 and, in either case, without regard to any subsequently published correction, multiplied by the relevant Multiplier; and
  - (ii) in the case of Index Warrants relating to a single Index, an amount (which shall be deemed to be a monetary value on the same basis as the Exercise Price) equal to the official closing value 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 Relevant Time 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 and, in either case, without regard to any subsequently published correction;

- (b) in respect of Share Warrants, subject to Condition 14(B) and as referred to in “Valuation Date” below or “Averaging Date” above, as the case may be:
  - (i) in the case of Share Warrants relating to a Basket of Shares, an amount equal to the sum of the values calculated for each Share as the official closing price (or the price at the Relevant 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 Share (as defined in Condition 14(B)) 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 closing price (or the price at the Relevant 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 no Disrupted Day has occurred and is continuing, 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 Relevant 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 Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the relevant Share whose closing price (or the price at the Relevant 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, at the Calculation Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the relevant Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Multiplier, each such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and the sum of such converted amounts to be the Settlement Price, all as determined by or on behalf of the Calculation Agent; and
  - (ii) in the case of Share Warrants relating to a single Share, an amount equal to the official closing price (or the price at the Relevant 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 Share (as defined in Condition 14(B)) 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, no such closing price (or the price at the Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) can be determined and no Disrupted Day has occurred and is continuing, 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 Relevant 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 Relevant Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Share based, at the Calculation Agent’s discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so

specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

- (c) in respect of Debt Warrants, subject as referred to in “Valuation Date” below or “Averaging Date” above:
  - (i) in the case of Debt Warrants relating to a Basket of Debt Securities, an amount equal to the sum of the values calculated for each Debt Security at the bid price for such Debt Security as determined by or on behalf of the Calculation Agent by reference to the bid price for such Debt Security appearing on the Relevant Screen Page at the Relevant Time 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 bid prices for such Debt Security at the Relevant Time on the Valuation Date or such Averaging 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 Security, such bid prices to be expressed as a percentage of the nominal amount of such Debt Security, multiplied by the relevant Multiplier;
  - (ii) in the case of Debt Warrants relating to a single Debt Security, an amount equal to the bid price for the Debt Security as determined by or on behalf of the Calculation Agent by reference to the bid price for such Debt Security appearing on the Relevant Screen Page at the Relevant Time 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 bid prices for such Debt Security at the Relevant Time on the Valuation Date or such Averaging 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 Security, such bid prices to be expressed as a percentage of the nominal amount of the Debt Security;
- (d) in respect of Currency Warrants:
  - (i) in the case of Currency Warrants relating to a Basket of Subject Currencies, an amount equal to the sum of the values calculated for each Subject Currency at the spot rate of exchange appearing on the Relevant Screen Page at the Relevant Time 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, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Base Currency for which one unit of the Subject Currency can be exchanged) or, if such rate is not available, the arithmetic average (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 Relevant Time on the Valuation Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent), multiplied by the relevant Multiplier; and
  - (ii) in the case of Currency Warrants relating to a single Subject Currency, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page at the Relevant Time 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, for the exchange of such Subject Currency into the Base Currency (expressed as the number of units (or part units) of the Base Currency for which one unit of the Subject Currency can be exchanged) or, if such rate is not available, the arithmetic average (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 Relevant Time on the Valuation Date or such Averaging Date, as the case may be, of two or more leading dealers (as selected by the Calculation Agent) on a foreign exchange market (as selected by the Calculation Agent);

- (e) in respect of Commodity Warrants, the provisions relating to the calculation of the Settlement Price will be set out in the applicable Final Terms.

**“Valuation Date”** means (unless specified otherwise in the Final Terms) the first Scheduled Trading Day following the Actual Exercise Date of the relevant Warrant unless, in the opinion of the Calculation Agent, such day is a Disrupted Day (as set out in Condition 14). If the Calculation Agent determines that such day is a Disrupted Day, then:

- (a) where the Warrants are Index Warrants relating to a single Index or Share Warrants relating to a single Share, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Settlement Price in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the Settlement Price:
  - (x) in the case of Index Warrants, by determining the level of the Index as of the Valuation Time on that eighth Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in the Index (or, if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); or
  - (y) in the case of Share Warrants, in accordance with its good faith estimate of the Settlement Price that would have prevailed, but for the occurrence of the Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day; or
- (b) where the Warrants are Index Warrants relating to a Basket of Indices or Share Warrants relating to a Basket of Shares, the Valuation Date for each Index or Share, as the case may be, not affected by a Disrupted Day shall be the originally designated Valuation Date and the Valuation Date for each Index or Share, as the case may be, affected (each an “Affected Item”) by a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day in respect of the Affected Item, unless each of the eight Scheduled Trading Days immediately following the original date that, but for the determination by the Calculation Agent of the occurrence of a Disrupted Day, would have been the Valuation Date is a Disrupted Day. In that case, (i) that eighth Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, in the case of an Index, the level of that Index determined in the manner set out in the applicable Final Terms, and, in the case of a Share, a price determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:
  - (x) in the case of an Index, the level of that Index as of the Valuation Time on that eighth Scheduled Trading Day determined by the Calculation Agent by reference to the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange-traded or quoted price as of the Valuation Time on that eighth Scheduled Trading Day of each security comprised in that Index (or, if the Calculation

Agent determines that an event giving rise to a Disrupted Day has occurred in respect of a relevant security on that eighth Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on that eighth Scheduled Trading Day); or

- (y) in the case of a Share, its good faith estimate of the price for the Affected Item that would have prevailed, but for the occurrence of the Disrupted Day, at the Valuation Time on that eighth Scheduled Trading Day

and otherwise in accordance with the above provisions.

#### **4. Exercise Rights**

##### **(A) Exercise Period**

##### **(i) American Style Warrants**

American Style Warrants are exercisable on any Business Day during the Exercise Period.

Any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m., Luxembourg or Brussels time, as the case may be, on the last Business Day of the Exercise Period (the “Expiration Date”), shall become void, unless such American Style Warrant is a Cash Settled Warrant in which case (unless specified otherwise in the Final Terms) it shall be deemed to have been automatically exercised on the Expiration Date (subject to prior cancellation of the Warrants in accordance with Conditions 7 and 8 or in any Final Terms), and the Exercise Date for such Warrant shall be the Expiration Date.

The Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. CET (or such other time as may be specified in the Final Terms) to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the Final Terms, as the case may be, and the copy thereof is received by the Warrant Agent, is referred to herein as the “Actual Exercise Date”. If any Exercise Notice is received by Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the Final Terms, as the case may be, or if the copy thereof is received by the Warrant Agent, in each case, after 10.00 a.m. CET (or such other time as may be specified in the Final Terms) on any Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Actual Exercise Date, provided that any such Warrant in respect of which no Exercise Notice has been delivered in the manner set out in Condition 5 at or prior to 10.00 a.m. CET (or such other time as may be specified in the Final Terms) on the Expiration Date shall become void (unless deemed to have been automatically exercised as provided above).

##### **(ii) European Style Warrants**

European Style Warrants are only exercisable on the Exercise Date.

Any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 5, at or prior to 10.00 a.m. CET (or such other time as may be specified in the Final Terms) on the Exercise Date, shall become void, unless such European Style Warrant is a Cash Settled Warrant in which case (unless provided otherwise in the Final Terms) it shall be deemed to have been automatically exercised on the Exercise Date (subject to prior cancellation of the Warrants in accordance with Conditions 7 and 8 or in any Final Terms), and the Exercise Date for such Warrants shall be the Exercise Date.

(B) *Cash Settlement*

If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its holder, upon due exercise (or upon automatic exercise as provided above), to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to:

- (i) where Averaging is not specified in the applicable Final Terms:
  - (a) if such Warrants are Call Warrants, (Settlement Price less Exercise Price) multiplied by, in the case of Debt Warrants only, the Nominal Amount;
  - (b) if such Warrants are Put Warrants, (Exercise Price less Settlement Price) multiplied by, in the case of Debt Warrants only, the Nominal Amount; and
  - (c) if such Warrants are neither Call Warrants nor Put Warrants, settlement will be as specified in the applicable Final Terms;
- (ii) where Averaging is specified in the applicable Final Terms:
  - (a) if such Warrants are Call Warrants, (the arithmetic mean of the Settlement Prices for all the Averaging Dates less Exercise Price) multiplied by, in the case of Debt Warrants only, the Nominal Amount;
  - (b) if such Warrants are Put Warrants, (Exercise Price less the arithmetic mean of the Settlement Prices for all the Averaging Dates) multiplied by, in the case of Debt Warrants only, the Nominal Amount; and
  - (c) if such Warrants are neither Call Warrants nor Put Warrants, settlement will be as specified in the applicable Final Terms.

The Cash Settlement Amount will be subject to deduction of Exercise Expenses, as provided in Condition 5(C)(i).

Any amount determined pursuant to the above, if not an amount in the Settlement Currency, will be converted into the Settlement Currency at the Exchange Rate specified in the applicable Final Terms for the purposes of determining the Cash Settlement Amount. The Cash Settlement Amount will be rounded to the nearest two decimal places (or, in the case of Japanese Yen, the nearest whole unit) in the relevant Settlement Currency, 0.005 (or, in the case of Japanese Yen, half a unit) being rounded upwards, with Warrants exercised at the same time by the same Warrantholder being aggregated for the purpose of determining the aggregate Cash Settlement Amount payable in respect of such Warrants or Units, as the case may be.

(C) *Physical Settlement*

- (i) Exercise Rights in relation to Physical Delivery Warrants

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its holder, upon due exercise and subject to certification as to non-U.S. beneficial ownership, to receive from the Issuer on the Settlement Date the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms.

Warrants or Units, as the case may be, exercised at the same time by the same Warrantholder will be aggregated for the purpose of determining the aggregate Entitlement in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlement in respect of the same Warrantholder will be rounded down to the nearest transferable unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of

the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following exercise of a Share Warrant which is a Physical Delivery Warrant, all dividends on the relevant Shares to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares executed on the relevant Actual Exercise Date and to be delivered in the same manner as such relevant Shares. Any such dividends to be paid to a Warrantholder will be paid to the account specified by the Warrantholder in the relevant Exercise Notice as referred to in Condition 5(A)(2)(vi).

(ii) Settlement Disruption

If, following the exercise of Physical Delivery Warrants, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date, then such Settlement Date for such Warrants shall be postponed to the first following Settlement Business Day in respect of which there is no such Settlement Disruption Event, provided that the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by delivering the Entitlement using such other commercially reasonable manner as it may select and in such event the Settlement Date shall be such day as the Issuer deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the Relevant Assets comprising the Entitlement, the Settlement Date for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date. In the event that a Settlement Disruption Event will result in the delivery on a Settlement Date of some but not all of the Relevant Assets comprising the Entitlement, the Calculation Agent shall determine the appropriate *pro rata* portion of the Exercise Price to be paid by the relevant Warrantholder in respect of that partial settlement. For so long as delivery of the Entitlement is not practicable by reason of a Settlement Disruption Event, then in lieu of physical settlement and notwithstanding any other provision hereof, the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Warrant or Unit, as the case may be, by payment to the relevant Warrantholder of the Disruption Cash Settlement Price (as defined below) on the fifth Business Day following the date that notice of such election is given to the Warrantholders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Warrantholders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Warrantholder shall be entitled to any payment in respect of the relevant Warrant or Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer.

For the purposes hereof:

“Disruption Cash Settlement Price” in respect of any relevant Warrant or Unit, as the case may be, shall be the fair market value of such Warrant or Unit, as the case may be (taking into account, where the Settlement Disruption Event affected some but not all of the Relevant Assets comprising the Entitlement and such non-affected Relevant Assets have been duly delivered as provided above, the value of such Relevant Assets), less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such

financial instruments or transactions, all as determined by the Calculation Agent, plus, if already paid, the Exercise Price (or, where as provided above some Relevant Assets have been delivered, and a *pro rata* portion thereof has been paid, such *pro rata* portion); and

“Settlement Disruption Event” means, in the opinion of the Calculation Agent, an event beyond the control of the Issuer as a result of which the Issuer cannot reasonably make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

(D) *Issuer's Option to Vary Settlement*

If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Warrants, upon a valid exercise of Warrants in accordance with these Terms and Conditions, the Issuer may in respect of each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, elect not to pay the relevant Warrantholders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Warrantholders, as the case may be, but, in lieu thereof to deliver or procure delivery of the Entitlement or make payment of the Cash Settlement Amount on the Settlement Date to the relevant Warrantholders, as the case may be. Notification of such election will be given to Warrantholders no later than 11.00 a.m. (Luxembourg and Brussels time) on the second Business Day following the Actual Exercise Date.

(E) *General*

The Calculation Agent shall give notice to the holders of the Warrants, in accordance with Condition 10, of the occurrence of a Disrupted Day if it results in the postponement of any payment or delivery in respect of the Warrants.

The purchase of Warrants does not confer on any holder of such Warrants any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

All references in this Condition to “CET” shall, where Warrants are cleared through an additional or alternative clearing system, be deemed to refer as appropriate to the time in the city where the relevant clearing system is located.

## 5. Exercise Procedure

(A) *Exercise Notice*

Unless deemed to be automatically exercised, Warrants may only be exercised by the delivery, or the sending by tested telex (confirmed in writing), of a duly completed exercise notice (an “Exercise Notice”) in the form set out in the Warrant Agreement (copies of which form may be obtained from Clearstream, Luxembourg, Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms and the Warrant Agents during normal office hours) to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, with a copy to the Principal Warrant Agent in accordance with the provisions set out in Condition 4 and this Condition.

(1) In the case of Cash Settled Warrants, the Exercise Notice shall (among other things):

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to be debited with the Warrants being exercised;
- (iii) irrevocably instruct Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to

debit on or before the Settlement Date the Warrantholder's account with the Warrants being exercised;

- (iv) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (v) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Warrants ("Exercise Expenses") and an authority to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms to deduct an amount in respect thereof from any Cash Settlement Amount due to such Warrantholder and/or to debit a specified account of the Warrantholder at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, in respect thereof and to pay such Exercise Expenses; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Warrant Agreement.

(2) In the case of Physical Delivery Warrants, the Exercise Notice shall:

- (i) specify the series number of the Warrants and the number of Warrants being exercised and, if Units are specified in the applicable Final Terms, the number of Units being exercised;
- (ii) specify the number of the Warrantholder's account at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to be debited with the Warrants being exercised;
- (iii) irrevocably instruct Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to debit on or before the Settlement Date the Warrantholder's account with the Warrants being exercised;
- (iv) irrevocably instruct Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to debit on the Actual Exercise Date a specified account of the Warrantholder with Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, with the aggregate Exercise Price in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
- (v) include an undertaking to pay all taxes, duties and/or expenses, including any applicable depository charges, transaction or exercise charges, stamp duty, stamp duty reserve tax, issue, registration, securities transfer and/or other taxes or duties arising in connection with the exercise of such Warrants and/or the delivery or transfer of the Entitlement pursuant to the terms of such Warrants ("Exercise Expenses") and an authority to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms to debit a specified account of the Warrantholder at Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, in respect thereof and to pay such Exercise Expenses;

- (vi) include such details as are required by the applicable Final Terms for delivery of the Entitlement which may include account details and/or the name and address of any person(s) into whose name evidence of the Entitlement is to be registered and/or any bank, broker or agent to whom documents evidencing the Entitlement are to be delivered and specify the name and the number of the Warrantholder's account with Euroclear or Clearstream, Luxembourg or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, to be credited with any cash payable by the Issuer, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event and the Issuer electing to pay the Disruption Cash Settlement Price;
- (vii) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person or exercising such Warrant on behalf of a U.S. person (as defined in the Exercise Notice); and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Warrant Agreement.

- (3) If Condition 4(D) applies, the form of Exercise Notice required to be delivered will be different from that set out above. Copies of such Exercise Notice may be obtained from Clearstream, Luxembourg, Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms and the Warrant Agents during normal office hours.

(B) *Verification of the Warrantholder*

Upon receipt of an Exercise Notice, Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, shall verify that the person exercising the Warrants is the holder thereof according to the books of Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be. Subject thereto, Clearstream, Luxembourg or Euroclear, as the case may be, will confirm to the Principal Warrant Agent the series number and number of Warrants being exercised and the account details, if applicable, for the payment of the Cash Settlement Amount or, as the case may be, the details for the delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. Upon receipt of such confirmation, the Principal Warrant Agent will inform the Issuer thereof. Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, will on or before the Settlement Date debit the account of the relevant Warrantholder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Global Warrant, a depositary or common depositary for the relevant clearing system(s) will, on the instructions of, and on behalf of, the Principal Warrant Agent, note such exercise on the Schedule to the Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

(C) *Settlement*

(i) Cash Settled Warrants

The Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised (or automatically exercised) Warrant or Unit, as the case may be, to the Warrantholder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Exercise Expenses.

(ii) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Price and payment of any Exercise Expenses with regard to the relevant Warrants or Units, as the case may be, the Issuer shall on the Settlement Date deliver, or procure the delivery of, the Entitlement for each duly exercised Warrant or Unit, as the case may be, pursuant to the details specified in the Exercise Notice. Subject as provided in Condition 4(C), the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

(D) *Determinations*

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, in consultation with the Principal Warrant Agent, and shall be conclusive and binding on the Issuer, the Warrant Agents and the relevant Warrantholder.

**Subject as set out below, any Exercise Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Warrant Agent immediately after being delivered or sent to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, as provided in paragraph (A) above, shall be null and void.**

If such Exercise Notice is subsequently corrected to the satisfaction of Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, in consultation with the Principal Warrant Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms, as the case may be, and the Principal Warrant Agent.

**Any Warrant with respect to which the Exercise Notice has not been duly completed and delivered in the manner set out above by the cut-off time specified in Condition 4(A)(i), in the case of American Style Warrants, or Condition 4(A)(ii), in the case of European Style Warrants, shall become void, unless (in the case of Cash Settled Warrants) deemed to have been automatically exercised (as described above).**

Neither the Issuer nor the Warrant Agents shall be liable to any person with respect to any action taken or omitted to be taken by them in connection with any determination as to whether an Exercise Notice is complete or in proper form or the notification of such determination to a Warrantholder.

(E) *Delivery of an Exercise Notice*

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Warrantholder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Warrantholder may not transfer such Warrants.

(F) *Exercise Risk*

Exercise of the Warrants is subject to all applicable laws, regulations and practices in force on the relevant exercise date and none of the Issuer or any Warrant Agent shall incur any liability whatsoever if it is unable to effect the transactions contemplated, after using all reasonable efforts, as a result of any such laws, regulations or practices. None of the Issuer or the Warrant Agents shall under any circumstances be liable for any acts or defaults of Clearstream, Luxembourg or Euroclear or such other clearing system(s) as may be specified in the applicable Final Terms in relation to the performance of its duties in relation to the Warrants.

**6. Minimum and Maximum Number of Warrants Exercisable**

(A) *American Style Warrants*



This paragraph (A) applies only to American Style Warrants.

- (i) The number of Warrants exercisable by any Warrantholder on any Actual Exercise Date, as determined by the Issuer, must not be less than the Minimum Exercise Number specified in the applicable Final Terms (if any) and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.
- (ii) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Warrantholder or a group of Warrantholders (whether or not acting in concert) exceeds the Maximum Exercise Number (if any) (a number equal to the Maximum Exercise Number being the “Quota”), the Issuer may deem the Actual Exercise Date for the first Quota of such Warrants, selected at the discretion of the Issuer, to be such day and the Actual Exercise Date for each additional Quota of such Warrants (and any remaining number thereof) to be each of the succeeding Business Days until all such Warrants have been attributed with an Actual Exercise Date, provided, however, that the deemed Actual Exercise Date for any such Warrants which would thereby fall after the Expiration Date shall fall on the Expiration Date. In any case where more than the Quota of Warrants is exercised on the same day by Warrantholder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

**(B) *European Style Warrants***

This paragraph (B) applies only to European Style Warrants.

The number of Warrants exercisable by any Warrantholder on the Exercise Date as determined by the Issuer must be not less than the Minimum Exercise Number (if any) specified in the applicable Final Terms and, if specified in the applicable Final Terms, if a number greater than the Minimum Exercise Number, must be an integral multiple of the number specified in the applicable Final Terms. Any Exercise Notice which purports to exercise Warrants in breach of this provision shall be void and of no effect.

**7. *Illegality***

If the Issuer determines that the performance of its obligations under the Warrants or any arrangement made to hedge its obligations thereunder has become illegal or otherwise prohibited in whole or in part for any reason, the Issuer may cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10.

Should any one or more of the provisions contained in these Terms and Conditions be or become invalid, the validity of the remaining provisions shall not in any way be affected thereby.

If the Issuer cancels the Warrants then the Issuer will, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by such holder, which amount shall be the fair market value of a Warrant or Unit, as the case may be, notwithstanding such illegality or prohibition less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions plus, if already paid by or on behalf of the Warrantholder, the Exercise Price, all as determined by the Calculation Agent. Payment will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10.

**8. *Purchases***

The Issuer may, but is not obliged to, at any time purchase Warrants at any price in the open market or

by tender or private treaty. Any Warrants so purchased may be held or resold or surrendered for cancellation

## **9. Agents, Determinations and Modifications**

### **(A) *Warrant Agents***

The specified offices of the Warrant Agents are as set out at the end of these Terms and Conditions.

The Issuer reserves the right at any time to vary or terminate the appointment of any Warrant Agent and to appoint further or additional Warrant Agents, provided that no termination of appointment of the Principal Warrant Agent shall become effective until a replacement Principal Warrant Agent shall have been appointed and provided that, so long as any of the Warrants are listed or admitted to trading on a stock exchange, there shall be a Warrant Agent having a specified office in each location (if any) required by the rules and regulations of the relevant stock exchange. Notice of any termination of appointment and of any changes in the specified office of any Warrant Agent will be given to Warrantheolders in accordance with Condition 10. In acting under the Warrant Agreement, each Warrant Agent acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrantheolders and any determinations and calculations made in respect of the Warrants by any Warrant Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the Warrantheolders.

### **(B) *Calculation Agent/Issuer***

In relation to each issue of Warrants, the Calculation Agent (whether it be the Issuer or another entity) acts solely as agent of the Issuer and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Warrantheolders. For the purposes of the Warrants, any determinations, calculations or other decisions made by the Calculation Agent and/or the Issuer under or pursuant to the terms of the Warrants shall be made in its/their sole and absolute discretion. All such determinations, calculations or other decisions of the Calculation Agent and/or the Issuer shall (save in the case of manifest error) be final, conclusive and binding on all parties, and neither the Calculation Agent nor the Issuer shall have any liability to any person therefor.

The Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

### **(C) *Modifications***

The Issuer may modify these Terms and Conditions and/or the Warrant Agreement without the consent of the Warrantheolders in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Warrantheolders or such modification is of a formal, minor or technical nature or to correct a manifest error or to cure, correct or supplement any defective provision contained herein and/or therein. Notice of any such modification will be given to the Warrantheolders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

## **10. Notices**

All notices to Warrantheolders shall be valid if delivered to Euroclear and Clearstream, Luxembourg or such other clearing system(s) as may be specified in the applicable Final Terms for communication by them to the holders of the Warrants and, in addition, for so long as any Warrants are listed or admitted to trading on a stock exchange and the rules of that stock exchange (or any other relevant authority) so require, such notice will be published in the manner required by the rules of that stock exchange (or other relevant authority). Notice shall be deemed to have been given to the holders of the Warrants on the first day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg or such other clearing system(s) as may be specified in the applicable Final Terms. Publication can be made by all

means of article 16 of the Luxembourg Law on Prospectuses for Securities.

### **11. Expenses and Taxation**

- (A) A holder of Warrants must pay all Exercise Expenses relating to such Warrants as provided above.
- (B) The Issuer shall not be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Warrant and all payments made by the Issuer shall be made subject to any such tax, duty, withholding or other payment which may be required to be made, paid, withheld or deducted.

### **12. Further Issues**

The Issuer shall be at liberty from time to time without the consent of Warrantholders to create and issue further Warrants so as to be consolidated with and form a single series with the outstanding Warrants.

### **13. Governing Law and Submission to Jurisdiction**

The Warrants, the Global Warrant and the Warrant Agreement are governed by, and shall be construed in accordance with, the laws of the Grand Duchy of Luxembourg.

If necessary, the Warrantholders shall enforce their rights against the Issuer and/or the Guarantor in the courts of the Grand Duchy of Luxembourg and/or (in the case of the Guarantor) the Kingdom of Belgium, to the non-conclusive jurisdiction of which the Issuer and the Guarantor irrevocably submit.

For the purpose of any action or proceeding brought in the Grand duchy of Luxembourg in connection with the Warrants, the Guarantor hereby elects domicile at the registered office of the Luxembourg Warrant Agent for all acts, formalities or procedures.

### **14. Terms for Index Warrants, Share Warrants, Debt Warrants and Commodity Warrants**

- (A) Index Warrants

#### **(i) Additional Defined Terms**

For the purposes of the Terms and Conditions of Index Warrants, the following terms shall have the meanings set out below:

“**Additional Disruption Event**” means a Change in Law.

“**Basket**” means a basket composed of the Indices specified in the Final Terms.

“**Change in Law**” means that, on or after the issue date of the Warrants (or as otherwise set forth 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) 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), the Issuer determines that it will incur a materially increased cost in performing its obligations under the Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

“**Disrupted Day**” means, in respect of an Index, any Scheduled Trading Day on which (i) if “Multi-Exchange Index” is specified in the Final Terms, the relevant Index Sponsor fails to publish the level of the relevant Index or, if “Non Multi-Exchange Index” is specified in relation to that Index in the Final Terms, the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

“**Early Closure**” means, in respect of an Index, the closure on any Exchange Business Day of any

relevant Exchange(s) or Related Exchange(s) prior to its/their Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.

**“Exchange(s)”** means, in respect of an Index, if “Non Multi-Exchange Index” is specified in relation to that Index in the Final Terms, the Exchange specified for such Index in the Final Terms and, if “Multi-Exchange Index” is specified in relation to that Index in the Final Terms, in respect of any securities comprised in such Index, the stock exchanges (from time to time) on which in the determination of the Calculation Agent such securities are listed for the purposes of such Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprised in the relevant Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities underlying such Index on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means, in respect of an Index, any Scheduled Trading Day on which the relevant Exchange(s) and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange(s) or Related Exchange(s) closing prior to its/their Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of an 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, (x) if “Multi-Exchange Index” is specified in relation to that Index in the Final Terms, any security comprised in such Index on any relevant Exchange and (y) if “Non Multi-Exchange Index” is specified in relation to that Index in the Final Terms, securities that comprise 20 per cent. or more of the level of such Index on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index on any relevant Related Exchange.

**“Index”** means one of the indices specified in the Final Terms or any Successor Index, and **“Indices”** means all such indices together.

**“Index Cancellation”** means, in respect of an Index, the Index Sponsor in respect of such Index cancels the Index and no Successor Index exists.

**“Index Disruption”** means, in respect of an Index, the Index Sponsor in respect of such Index fails to calculate and announce the Index Level.

**“Index Level”** means, in respect of an Index, on any relevant Scheduled Trading Day, the official closing level of the relevant Index, as calculated and published by the relevant Index Sponsor.

**“Index Modification”** means, in respect of an Index, the relevant 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 such Index or in any other way materially modifies such Index (other than a modification prescribed in that formula or method to maintain such Index in the event of changes in constituent securities and capitalisation and other routine events).

**“Index Sponsor”** means, in respect of an Index, either (x) the index sponsor specified in the Final Terms or such other corporation or entity as determined by the Calculation Agent 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, failing whom such person

acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person or (y) if no such index sponsor is specified in the Final Terms, then the corporation or entity as determined by the Calculation Agent 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, failing whom such person acceptable to the Calculation Agent who calculates and announces the relevant Index or any agent or person acting on behalf of such person.

**“Market Disruption Event”** means, in respect of an Index, the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (ii) an Exchange Disruption, which in either case the Calculation Agent determines in its sole discretion is material, at any time during the one hour period that ends at the relevant Valuation Time or (iii) an Early Closure, provided that, if “Multi-Exchange Index” is specified in relation to that Index in the Final Terms, the securities comprised in the relevant Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Calculation Agent, in aggregate to 20 per cent. or more of the level of such Index. For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the relevant Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the level of the relevant Index attributable to that security and (y) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

**“Related Exchange”** means, in respect of an Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index, any transferee or successor to any 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 the relevant Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

**“Scheduled Trading Day”** means, in respect of an Index, (i) if “Multi-Exchange Index” is specified in relation to that Index in the Final Terms, any day on which the relevant Index Sponsor is scheduled to publish the level of such Index and each Related Exchange is scheduled to be open for trading for its regular trading session and (ii) if “Non Multi-Exchange Index” is specified in relation to that Index in the Final Terms, any day on which each relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session.

**“Successor Index”** means, in respect of an Index, where such Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the relevant Index, such successor index or index calculated and announced by the successor sponsor.

**“Trading Disruption”** means, in respect of an Index, any suspension of or limitation imposed on trading by a relevant Exchange or a Related Exchange or otherwise and whether by reason of

movements in price exceeding limits permitted by the relevant Exchange or relevant Related Exchange or otherwise (i) if “Multi-Exchange Index” is specified in relation to that Index in the Final Terms, on any relevant Exchange(s) relating to any security comprised in the relevant Index or, if “Non Multi-Exchange Index” is specified in relation to that Index in the Final Terms, on the Exchange 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 Index on any relevant Related Exchange.

“**Valuation Time**” means the Scheduled Closing Time on the relevant date. If a relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to the provisions herein concerning Disrupted Days) the Valuation Time shall be such actual closing time.

(ii) **Adjustments, Consequences of Certain Events and Currency**

(a) **Index Modification, Index Cancellation and/or Index Disruption**

If the Calculation Agent determines that, in respect of any Index, an Index Modification, Index Cancellation or Index Disruption has occurred or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to any terms and conditions of the Warrants, the Issuer may make any adjustment or adjustments to the terms and conditions of the Warrants as it deems necessary. The Issuer shall give notice to the holders of the Warrants of any such adjustment in accordance with Condition 10.

(b) **Change of Exchange**

If an Exchange is changed, the Issuer may make such consequential modifications to the terms and conditions of the Warrants as it may deem necessary.

(c) **Price Correction**

In the event that any price or level published on any relevant Exchange or by any relevant Index Sponsor in respect of an Index and which is utilised for any calculation or determination made under the Warrants is subsequently corrected and the correction is published by the relevant Exchange or the relevant Index Sponsor within three Business Days (or such other period as specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Warrants to account for such correction.

(d) **Currency**

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to the terms and conditions of the Warrants (including the date on which any amount is payable by the Issuer), the Issuer may make such adjustment or adjustments to the terms and conditions of the Warrants as it deems necessary. The Issuer shall give notice to the holders of the Warrants of any such adjustment in accordance with Condition 10.

(e) **Additional Disruption Events**

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may, if and to the extent permitted by applicable law, pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by such holder, which amount shall be the fair market value (as determined by the Calculation Agent) as at the date of such payment taking into account the Additional Disruption Event, less, unless specified otherwise in the Final

Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions. Notice of any determination pursuant to this paragraph shall be given to Warrantholders in accordance with Condition 10.

(iii) **Index Disclaimer**

The Warrants are not sponsored, endorsed, sold or promoted by any of the Indices or any of the Index Sponsors and none of the Index Sponsors has made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Index and/or the levels at which any such Index stands at any particular time on any particular date or otherwise. None of the Index Sponsors shall be liable (whether in negligence or otherwise) to any person for any error in any relevant Index and none of the Index Sponsors are under any obligation to advise any person of any error therein. The Index Sponsors have made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Warrants. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by any Index Sponsor in connection with the calculation, adjustment or maintenance of any Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over any of the Indices or any of the Index Sponsors or any control over the computation, composition or dissemination of the Indices. Although the Issuer and the Calculation Agent will obtain information concerning the Indices from publicly available sources they believe to be reliable, they will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning any Index.

(B) Share Warrants

(i) **Additional Defined Terms**

For the purposes of the Terms and Conditions of Share Warrants, the following terms shall have the meanings set out below:

**“Additional Disruption Event”** means Change in Law and/or Insolvency Filing.

**“Basket”** means a basket composed of Shares in the relative proportions and/or numbers of Shares of each Share Issuer specified in the Final Terms.

**“Change in Law”** means that, on or after the issue date of the Warrants (or as otherwise set forth 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) 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), the Issuer determines that (X) it has become illegal to hold, acquire or dispose of any Shares, or (Y) it will incur a materially increased cost in holding, acquiring or disposing of any Shares and/or performing its obligations under the Warrants (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

**“De-listing”** means that an Exchange announces that pursuant to its rules one or more of the Shares specified in the Final Terms has ceased (or will cease) to be listed, traded or publicly quoted on the relevant Exchange for any reason (other than a Merger Event or Tender Offer) and such Shares are not immediately re-listed, re-traded or re-quoted 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 such Shares are no longer listed on an

Exchange acceptable to the Issuer.

**“Disrupted Day”** means, in respect of a Share, any Scheduled Trading Day on which (i) the relevant Exchange fails to open for trading during its regular trading session, (ii) any Related Exchange fails to open for trading during its regular trading session or (iii) on which a Market Disruption Event has occurred.

**“Early Closure”** means, in respect of a Share, the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**“Exchange”** means, in respect of a Share, the Exchange specified for such Share in the Final Terms or otherwise the stock exchange on which such Share is, in the determination of the Issuer, traded or quoted or any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such successor or substitute exchange or quotation system as on the original Exchange).

**“Exchange Business Day”** means, in respect of a Share, any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the relevant Exchange or any relevant Related Exchange closing prior to its Scheduled Closing Time.

**“Exchange Disruption”** means, in respect of a Share, 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, such Share on the relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Share on any relevant Related Exchange.

**“Extraordinary Dividend”** means, in respect of a Share, the characterisation of a dividend or portion thereof as an Extraordinary Dividend by the Calculation Agent.

**“Insolvency”** means, in respect of a Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting such Share Issuer, (A) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official or (B) holders of the Shares of such Share Issuer become legally prohibited from transferring them.

**“Insolvency Filing”** means, in respect of a Share, that the Calculation Agent determines that the relevant Share Issuer has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

**“Market Disruption Event”** means the occurrence or existence on any Scheduled Trading Day of (i) a Trading Disruption or (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.



**“Merger Date”** means, in respect of a Merger Event, the closing date of such Merger Event or, where the Calculation Agent determines that a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**“Merger Event”** means, in respect of one or more of the Shares specified in the Final Terms, 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 exchange of the relevant Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer 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% of the outstanding Shares of the relevant Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by the such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer or its subsidiaries with or into another entity in which such Share Issuer 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 (a “Reverse Merger”), in each case if the Merger Date is on or before the relevant Valuation Date.

**“Nationalisation”** means that all the Shares of a Share Issuer or all or substantially all the assets of such Share Issuer are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**“New Shares”** means ordinary or common shares, whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date 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 relevant Exchange is within the European Union, in any member of state of the European Union) or on another exchange acceptable to the Calculation Agent and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**“Other Consideration”** means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

**“Potential Adjustment Event”** means any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of the Shares specified in the Final Terms (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;
- (ii) a distribution, issue or dividend to existing holders of one or more of the Shares specified in the Final Terms of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Share Issuer equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuing institution acquired or owned (directly or indirectly) by the relevant Share Issuer as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an Extraordinary Dividend;

- (iv) a call by a Share Issuer in respect of relevant Shares that are not fully paid;
- (v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) with respect to a Share Issuer, an event that results in any shareholder rights 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, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
- (vii) any other event that may have a diluting or concentrative effect on the theoretical value of one or more of the Shares in the specified in the Final Terms.

**“Related Exchange”** means, in respect of a Share, 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 or such other options or futures exchange(s) as the Calculation Agent may select, any transferee exchange or quotation system or any successor to any 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).

**“Scheduled Closing Time”** means, in respect of an Exchange or a 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 Trading Day”** means, in respect of a Share, any day on which the relevant Exchange and each relevant Related Exchange is scheduled to be open for trading for its regular trading sessions.

**“Shares”** has the meaning ascribed to it in the Final Terms.

**“Share Issuer”** has the meaning ascribed to it in the Final Terms.

**“Tender Offer”** means, in respect of any Shares, 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 10% and less than 100% of the outstanding voting shares of the relevant Share Issuer, 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.

**“Tender Offer Date”** means, in respect of a Tender Offer, the date on which voting shares in an amount determined by the Issuer are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**“Trading Disruption”** means, in respect of a Share, any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or such Related Exchange or otherwise (i) relating to such Share on such Exchange, or (ii) in futures or options contracts relating to such Share on a Related Exchange.

**“Valuation Time”** means the Scheduled Closing Time on the relevant Exchange on the relevant date

in relation to that Share. If the relevant Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to the provisions concerning Disrupted Days) the Valuation Time shall be such actual closing time.

(ii) **Adjustments, Consequences of Certain Events and Currency**

(a) Adjustments

If the Calculation Agent determines that a Potential Adjustment Event has occurred in respect of one or more of the Shares specified in the Final Terms or that there has been an adjustment to the settlement terms of listed contracts on one or more of the Shares specified in the Final Terms traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of the relevant Shares and, if so, will (a) request the Issuer to make the corresponding adjustment(s), if any, to any one or more of any Relevant Asset and the Entitlement and/or Exercise Price and/or the Multiplier and/or any of the terms and conditions of the Warrants as the Calculation Agent 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 dividend, stock loan rate or liquidity) and (b) determine the effective date(s) of the adjustment(s). The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on the relevant Shares traded on that options exchange.

(b) Consequences of a Merger Event

If the Calculation Agent determines that a Merger Event has occurred in respect of one or more of the Shares specified in the Final Terms, the Issuer may:

- (i) cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by it which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Merger Event less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions plus, if already paid, the Exercise Price, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10;
- (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Warrants as the Calculation Agent determines appropriate to account for the economic effect on the Warrants of such Merger Event (provided that no adjustments will be made solely to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the relevant Shares or to the Warrants), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Merger Event by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment; and/or
- (iii) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any

redemption, if applicable), and their issuer (if any) to be the relevant “Shares” and the relevant “Share Issuer”, respectively, and if the Calculation Agent determines to be appropriate, the Issuer will adjust any relevant terms and conditions of the Warrants as it may determine.

The Issuer shall give notice of such cancellation, adjustment or deemed change to Warrantholders in accordance with Condition 10.

(c) Consequences of a Tender Offer

If the Calculation Agent determines that a Tender Offer has occurred in respect of one or more of the Shares specified in the Final Terms, then on or after the relevant Tender Offer Date the Issuer may:

- (i) cancel the Warrants by giving notice to Warrantholders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by it which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Tender Offer less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions plus, if already paid, the Exercise Price, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10; or
- (ii) make such adjustment to the exercise, settlement, payment or any other term or condition of the Warrants as the Calculation Agent determines appropriate to account for the economic effect on the Warrants of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Shares or to the Warrants), which may, but need not, be determined by reference to the adjustment(s) made in respect of such Tender Offer by an options exchange to options on the relevant Shares traded on such options exchange and determine the effective date of that adjustment.

The Calculation Agent shall give notice of such cancellation or adjustment to Warrantholders in accordance with Condition 10.

(d) Nationalisation, Insolvency or De-listing

If in respect of one or more of the Shares specified in the Final Terms or a Share Issuer the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing, the Issuer may (i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/or any of the other terms and conditions of the Warrants to account for the Nationalisation, Insolvency or Delisting, as the case may be, and determine the effective date of that adjustment or (ii) cancel the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by it which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Nationalisation, Insolvency or De-listing (as the case may be), less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or

taxes incurred by the Issuer in respect of any such financial instruments or transactions plus, if already paid, the Exercise Price, all as determined by the Calculation Agent. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10. Notice of any cancellation of the Warrants or determination pursuant to this paragraph shall be given to Warrantholders in accordance with Condition 10.

(e) Change of Exchange

If an Exchange is changed, the Issuer may make such consequential modifications to any Relevant Asset and/or the Entitlement and/or the Multiplier and such other terms and conditions of the Warrants as it may deem necessary.

(f) Price Correction

In the event that any price or level published on an Exchange and which is utilised for any calculation or determination made under the Warrants is subsequently corrected and the correction is published by the relevant Exchange within three Business Days (or such other period as may be specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Warrants to account for such correction.

(g) Currency

If the Calculation Agent determines that any event occurs affecting a currency (whether relating to the convertibility of any such currency into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier and/ or any other relevant terms and conditions of the Warrants, the Issuer may make such adjustment or adjustments to any Relevant Asset and/or the Entitlement and/or the Exercise Price and/or the Multiplier as it deems necessary. The Issuer shall give notice to the Warrantholders of any such adjustment in accordance with Condition 10.

(h) Additional Disruption Events

If the Calculation Agent determines that an Additional Disruption Event has occurred in respect of one or more of the Shares specified in the Final Terms, the Issuer may cancel the Warrants. If the Warrants are so cancelled the Issuer will pay an amount to each Warrantholder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by it which amount shall be the fair market value of a Warrant or a Unit, as the case may be, taking into account the Additional Disruption Event, less, unless specified otherwise in the Final Terms, the cost to the Issuer of amending or liquidating any financial instruments or transactions entered into by the Issuer in connection with the Warrant or Unit, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such financial instruments or transactions plus, if already paid, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Warrantholders in accordance with Condition 10. Notice of any cancellation of the Warrants or determination pursuant to this paragraph shall be given to Warrantholders in accordance with Condition 10.

(i) Change in currencies

If, at any time after the issue date of the Warrants, there is any change in the currency in which the Shares are quoted, listed and/or dealt on the Exchange, then the Issuer will adjust such of the terms and conditions of the Warrants as the Calculation Agent determines

appropriate to preserve the economic terms of the Warrants. The Calculation Agent will make any conversion necessary for purposes of any such adjustment as of the Valuation Time at an appropriate mid-market spot rate of exchange determined by the Calculation Agent prevailing as of the Valuation Time. No adjustments under this section will affect the currency denomination of any payment obligation arising out of the Warrants.

**(C) Debt Warrants, Commodity Warrants and Currency Warrants**

Any additional provisions relating to Debt Warrants, Commodity Warrants or Currency Warrants shall be set out in the applicable Final Terms.

## PART 2 - FORM OF FINAL TERMS FOR WARRANTS

*Set out below is the form of Final Terms which will be completed for each issue of Warrants issued under the Programme.*

Final Terms dated [●]

**ING Belgium International Finance S.A.**

**Issue of [Aggregate Amount of Tranche]**

**[Title of Warrants]**

**issued pursuant to a**

**EUR10,000,000,000 Issuance Programme**

[The Base 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 Warrants 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 Warrants. Accordingly any person making or intending to make an offer of the Warrants may only do so:

- (i) in circumstances in which no obligation arises for the Issuer or any Dealer 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 52 of Part A below, provided such person is one of the persons mentioned in Paragraph 52 of Part A below and that such offer is made during the Offer Period specified for such purpose therein.

Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Warrants in any other circumstances] ◇

[The Base Prospectus referred to below (as completed by these Final Terms) has been prepared on the basis that any offer of Warrants 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 Warrants. Accordingly any person making or intending to make an offer in that Relevant Member State of the Warrants may only do so in circumstances in which no obligation arises for the Issuer or any Dealer 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. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Warrants in any other circumstances] ◇◇

◇ [Only include if a non-exempt offer of Warrants is anticipated.]

◇◇ [Only include if an exempt offer of Warrants is anticipated.]

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in Chapter 12, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus") [which constitutes a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup>. This document constitutes the Final Terms applicable to the issue of Warrants described herein [for the purposes of Article 5.4 of the Prospectus Directive]<sup>#</sup> and must be read in conjunction with such Base Prospectus. Full information on the Issuer, the

Guarantor and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from ING Belgium International Finance S.A. at 52, route d'Esch, L-1470 Luxembourg, Grand Duchy of Luxembourg or from ING Belgium SA/NV, Avenue Marnixlaan 24, B-1000 Brussels, Belgium. [The Final Terms and the Base Prospectus will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu))]\*.

<sup>#</sup>*[Only include if Warrants are to be offered to the public within a member state of the EEA or to be admitted to trading on a regulated market situated or operating within such a member state, in each case in circumstances which would require the approval of a prospectus under the Prospective Directive.]*

<sup>\*</sup>*[Only include if the Warrants are to be listed on the official list of the Luxembourg Stock Exchange.]*

*[The following alternative language applies if the first Tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date:]*

Terms used herein shall be deemed to be defined as such for the purposes of the General Conditions (the "Conditions") set forth in Chapter 12, Part 1 of the Base Prospectus dated 29 June 2012 [in case of Supplement(s): the base prospectus dated [date] and the Supplement[s] dated [date supplement] [and [date second, third,... Supplement] respectively (hereinafter together to be referred to as the "Base Prospectus")]. This document constitutes the Final Terms of the Warrants described herein [for the purposes of Article 5.4 of the Prospectus Directive (Directive 2003/71/EC), as amended from time to time (the "Prospectus Directive")]<sup>#</sup> and must be read in conjunction with the Base Prospectus dated [current date] [which constitutes a base prospectus for the purposes of the Prospectus Directive]<sup>#</sup>, save in respect of the Conditions which are extracted from the Base Prospectus dated [original date] and are incorporated by reference in the Base Prospectus dated [current date]. Full information on the Issuer, the Guarantor and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated [original date] (with respect to the Conditions set forth therein) and [current date] (other than with respect to the Conditions set forth therein). The Base Prospectuses, any Supplement hereto and these Final Terms are available for viewing at [www.ingmarkets.com](http://www.ingmarkets.com) and copies of the Base Prospectus may be obtained from the Issuer and from the Guarantor. Written or oral requests for such document should be directed to the registered office of Issuer or the Guarantor. [The Final Terms and the Base Prospectuses will be available for viewing on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Prospective investors should carefully consider the section "Risk Factors" in the Base Prospectus.

*[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

*[When completing any final terms, adding any other final terms or information, consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.]*

## DESCRIPTION OF THE WARRANTS

- |    |   |   |
|----|---|---|
| 1. | Issuer  | ING Belgium International Finance S.A.                      |
| 2. | Guarantor   | ING Belgium SA/NV   |
| 3. | (a) Series number of the Warrants:  | [•]   |
|    | (b) Whether or not the Warrants are to be consolidated and form a single series | [•]<br>(If fungible with an existing issue, details of that |



- with the Warrants of an existing series: issue, including the date on which the Warrants became fungible)
4. Form of Warrants: [Bearer Warrants:  
[Permanent Global Warrant not exchangeable for  
Definitive Warrants]
  5. The type of Warrant which may be Index Warrants, Share Warrants, Debt Warrants, Currency Warrants, Commodity Warrants or any other type of Warrant: [•]
  6. (a) details of the “Basket of Shares” (including, but not limited to, the number/proportion and type of each Share comprising the Basket and their ISIN numbers) and of the Basket Companies or the single Share and the names of the Share Issuer(s): [•]
  - (b) details of the “Basket of Debt Securities” or the single “Debt Security”: [•]
  - (c) details of the “Basket of Indices” or the single “Index” (and, for each Index, whether it is a “Multi-Exchange Index” or a “Non Multi-Exchange Index”): [•]
  - (d) details of the “Basket of Commodities” or the single “Commodity”: [•]
  - (e) details of any combination of the above, or other: [•]
  7. Whether the Warrants are American Style Warrants, European Style Warrants or other: [•]
  8. Whether the Warrants are Call Warrants or Put Warrants: [•]
  9. Whether Averaging applies to the Warrants and if so the relevant Averaging Dates: [•]
  10. Number of Warrants being issued: [•]
  11. Whether, in addition to any requirements relating to “Minimum Exercise Number” or “Maximum Exercise Number” as set out below, Warrants must be exercised in units (“Units”) and the number of Warrants constituting a Unit: [•]
  12. Issue price per [Warrant/Unit]: [•] [specify currency]
  13. Exercise price (the “Exercise Price”) per [Warrant/Unit] (which may be subject to adjustment in accordance with Condition 14 of Chapter 12, Part 1, in the case of Index

Warrants and Share Warrants) (*N.B. this should take into account any relevant Multiplier and, in the case of an Index Warrant, must be expressed as a monetary value*)

14. Issue date of the Warrants: [●]
15. (*In the case of European Style Warrants:*) [●]  
Exercise date (the “Exercise Date”) for the Warrants provided that, if such date is not a Business Day, the Exercise Date shall be the immediately [preceding/succeeding] Business Day:
16. (*In the case of American Style Warrants:*) [●]  
Exercise period (the “Exercise Period”) in respect of the Warrants:
17. (*In the case of Cash Settled Warrants*) [●]  
Specify if automatic exercise is not to occur:
18. Applicable definition of Scheduled Trading Day: (*specify if different from that in Condition 3 of Chapter 12, Part 1 or if the Warrants are neither Index Warrants nor Share Warrants*) [●]
19. Applicable Business Day Centre(s) for the purposes of the definition of “Business Day” in Condition 3 of Chapter 12, Part 1: [●]
20. Whether settlement will be by way of cash payment (“Cash Settled Warrants”) and/or physical delivery (“Physical Delivery Warrants”): [●]
21. Whether the Issuer has the option to vary settlement in respect of the Warrants: [●]
22. Applicable rate of exchange (the “Exchange Rate”) for conversion of any amount into the relevant settlement currency for the purposes of determining the Settlement Price (as defined in Condition 3 of Chapter 12, Part 1) or the Cash Settlement Amount (as defined in Condition 3 of Chapter 12, Part 1) and details of how and when such rate is to be ascertained: [●]
23. Settlement currency (the “Settlement Currency”) for the payment of the Cash Settlement Amount (in the case of Cash Settled Warrants) or the Disruption Cash Settlement Amount (in the case of Physical [●]

Delivery Warrants):

24. *(In the case of Cash Settled Warrants relating to a Basket:)* The multiplier (the “Multiplier”; each such Multiplier shall be subject to adjustment in accordance with Condition 14 of Chapter 12, Part 1 or as otherwise provided in the Final Terms) to be applied to each item comprising the Basket in order to ascertain the Settlement Price: [•]
  
25. *(in the case of Cash Settled Warrants relating to Debt Securities:)* The nominal amount (the “Nominal Amount”) which is to be used to determine the Cash Settlement Amount pursuant to Condition 4 of Chapter 12, Part 1 and details of the relevant screen page (“Relevant Screen Page”): [•]
  
26. Details of the relevant asset (the “Relevant Asset”) or assets (the “Relevant Assets”) to which the Warrants relate and of the Entitlement (as defined in Condition 3 of Chapter 12, Part 1) (in the case of Physical Delivery Warrants): [•]
  
27. *(in the case of Physical Delivery Warrants:)* Method of delivery of the Entitlement: [•]
  
28. *(in the case of Physical Delivery Warrants:)* Details of how the Entitlement will be evidenced: [•]
  
29. Details of the Calculation Agent if not the Guarantor: [•]
  
30. Minimum number of Warrants (the “Minimum Exercise Number”) and any integral multiple of Warrants in excess thereof that must be exercised on any day by any Warrantholder: [•]
  
31. Maximum number of Warrants (the “Maximum Exercise Number”) that may be exercised on any day by any Warrantholder or group of Warrantholders (whether or not acting in concert):*(not applicable for European Style Warrants)* [•]
  
32. Whether the Warrants are to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange or any other stock exchange or whether the Warrants are to be unlisted: [•]

33. For the purposes of Condition 5(A) of Chapter 12, Part 1 (“Terms for Index Warrants”):
  - (a) details of the relevant Exchange(s) (the “Exchange(s)”); and [●]
  - (b) details of the relevant Index Sponsor (if fallback provisions not to apply): [●]
34. For the purposes of Condition 3 and Condition 5(B) of Chapter 12, Part 1 (“Terms for Share Warrants”), details of the relevant Exchange(s) (the “Exchange(s)”): [●]
35. *(In relation to Commodity Warrants:)* Provisions for the calculation of the Settlement Price: [●]
36. Provisions for calculating the Settlement Price when a Disrupted Day (if other than as set out in the Terms and Conditions of the Warrants) occurs on the Valuation Date (as defined in Condition 3 of Chapter 12, Part 1) or an Averaging Date (as defined in Condition 3 of the Conditions in Chapter 12, Part 1), as the case may be: ]
37. *(In relation to Debt Warrants:)* Provisions dealing with the situation where one or more of the relevant Debt Securities is redeemed (or otherwise ceases to exist) before the expiration of the relevant Warrants: [●]
38. Details of the relevant time (the “Relevant Time”) being the time specified on the Valuation Date or an Averaging Date, as the case may be, for the calculation of the Settlement Price: [●]
 

*(for Index Warrants and Share Warrants, if no Relevant Time is specified, the Settlement Price will be determined by reference to the relevant closing value or closing price(s), as the case may be)*
39. *(In relation to Currency Warrants:)* Details of the Relevant Screen Page, the relevant base currency (the “Base Currency”) and the relevant subject currency or currencies (each a “Subject Currency”): [●]
40. Valuation Time (if other than the time specified in the Terms and Conditions of the Warrants, in the case of Index Warrants and Share Warrants): [●]

41. *(in the case of Cash Settled Warrants:)* The [•]  
 settlement date (the “Settlement Date”) for  
 the Warrants (if different from the definition  
 in Condition 3 of Chapter 12, Part 1):  
*(in the case of Physical Delivery Warrants:)*  
     the Settlement Date: [•]  
 (a) the definition of “Settlement Business [•]  
     Day” for the purposes of Condition  
     4(C)(ii) of Chapter 12, Part 1:
42. Any other special conditions and any [•]  
 modification to the Terms and Conditions of  
 the Warrants:  
*(when adding any other final terms  
 consideration should be given as to whether  
 such terms constitute “significant new  
 factors” and consequently trigger the need  
 for a supplement to the Base Prospectus  
 under Article 16 of the Prospectus  
 Directive)*
43. [Offer price, offer period and application  
 process:]  
*(If applicable state that the offer price will  
 be equal to the Issue Price or give an  
 indication of the expected price at which the  
 Warrants will be offered or the method of  
 determining the price and its process for  
 disclosure)*  
*[If applicable, use the following text  
 amended/completed as appropriate: The  
 subscription period for the Warrants is from  
 and including [•] ([•] CET) to and  
 including [•] ([•] CET). The Issuer  
 reserves the right [to close the subscription  
 period earlier/to extend the subscription  
 period.].*  
*Investors may subscribe for the Warrants  
 through branches of the Principal Paying  
 Agent and/or the Guarantor [and [•] in  
 [•]]. Investors may not be allocated all of  
 the Warrants for which they apply. The  
 offering may, at the discretion of the Issuer,  
 be cancelled at any time prior to the Issue  
 Date.)]*  
*(if relevant give time period during which  
 the offer will be open and description of the  
 application process)*  
*(if relevant need to give a description of the [•]  
 possibility of reducing subscriptions and the*

- manner for refunding excess amounts paid by applicants)*  
*(If relevant give details of any conditions to which the offer is subject)*  
*(If relevant give details of procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised)*
44. [Details of [minimum] [and] [maximum] amount of application:] [●]  
*(if relevant need to give details of the minimum and/or maximum amount of application permitted)*
45. The method of distribution of the Warrants [●]  
*(syndicated or non-syndicated):*
46. *(If syndicated:)* Names and addresses of Managers and underwriting commitments: [●]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
47. Date of Syndication Agreement (if applicable): [●]
48. *(If non-syndicated:)* Name and address of relevant Dealer: [●]
49. Total commission and concession: [●]
50. Details of any clearing system other than Clearstream, Luxembourg and Euroclear, and: [●]  
 (i) time by which Exercise Notices must be delivered on any given Business Day: [●]  
 (ii) details of the appropriate clearing code/number: [●]
51. Additional selling restrictions: [●]  
*[Include the following text for Warrants offered to the public in Switzerland: **Switzerland: The Notes do not represent units in collective investment schemes. Accordingly, they have not been registered with the Swiss Federal Market Supervisory Authority (the “FINMA”) as foreign collective investment schemes, and are not subject to the supervision of the FINMA. Investors cannot invoke the protection conferred under the Swiss legislation applicable to collective investment schemes.**]*

*[Include the following text for Warrants not offered to the public but privately placed in Switzerland: Switzerland: The Warrants may not be offered or distributed in or from Switzerland on the basis of a public solicitation, as such term is defined under the current practice of the Swiss Federal Market Supervisory Authority, and neither this document nor any other offering material relating to the Warrants may be offered or distributed in connection with any such offering or distribution.]*

52. (i) [Simultaneous offer:] [●]  
*(If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been reserved for certain of these, indicate such tranche here)*
- (ii) Non-exempt offer:  
*[Not Applicable] [An offer of Warrants may be made by the Managers [and [specify, if applicable]] other than pursuant to Article 3(2) of the Prospectus Directive in [specify relevant Member State(s) - which must be jurisdiction(s) where the Base Prospectus has been approved and published and/or passported] ("Public Offer Jurisdictions") during the period from [specify date] until [specify date] ("Offer Period"). See further paragraph 43.*
53. Process for notification to applicants of amount allotted and indication whether dealing may begin before notification is made: [●]
54. Delivery: [●]  
*([against/free of] payment)*
55. Other terms or special conditions: [●]  
*[specify Calculation Agent if other than Guarantor]*  
*(when adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

## PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for the issue [and] [public offer in the Public Offer Jurisdictions] [and] listing and admission to trading on [the Luxembourg Stock Exchange/specify relevant

*regulated market*] of the Warrants described herein pursuant to the EUR10,000,000,000 Issuance Programme of ING Belgium International Finance S.A.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge and belief of the Issuer (having taken all reasonable care to ensure that such is the case) the information contained in these Final Terms is in accordance with the facts and does not omit anything likely to affect the import of such information. [[●] has been extracted from [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By: .....  
Duly authorised

By: .....  
Duly authorised

## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- |  |  |
|--|--|
| (i) Listing:   | [The Official List of the Luxembourg Stock Exchange/other (specify)/ None]   |
| (ii) Admission to trading:                                       | [Application [has been made] [will be made] for the Warrants to be admitted to trading on [the Regulated Market of the Luxembourg Stock Exchange/other (specify)] with effect from [●][the first day of “as-if-and-when-issued-trading”].]<br>[Not Applicable.]<br>[(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)] |
| (iii) As-if-and-when-issued-trading:                             | [three Business Days preceding the Issue Date/Not Applicable]  |
| (iv) Estimate of total expenses related to admission to trading: | [●]  |

### 2. RATINGS

Ratings: The Issuer has not been assigned any rating.  
Neither the Programme nor the issue of this Tranche of Warrants has been rated.  
The Guarantor has a senior debt rating from Standard & Poor’s Credit Market Services Europe Limited (“Standard & Poor’s”) of A+ (outlook stable), a senior debt rating from Moody’s France SAS (“Moody’s”) of A2 (outlook negative) and a senior debt rating from Fitch Ratings Ltd. (“Fitch”) of A+ (outlook stable).

### 3. [NOTIFICATION]

The Luxembourg Authority (Commission de Surveillance du Secteur Financier (the “CSSF”) has provided



the Financial Services and Markets Authority, the competent authority of Belgium with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive. Notwithstanding the foregoing, no offer of Notes to the public may be made in any Relevant Member State which requires the Issuer to undertake any action in addition to the filing of the Final Terms with the CSSF unless and until the Issuer advises such action has been taken.]

#### **4. [INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE [ISSUE/OFFER]]**

Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement:

“Save as discussed in “Subscription and Sale” in Chapter 1 of the Base Prospectus in respect of any appointed Dealer, so far as the Issuer is aware, no person involved in the offer of the Warrants has an interest material to the offer.”

*(If there are any material/conflicting interests, for example for dealers or distributors, then describe those in this section)*

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

- |                                |   |
|--------------------------------|---|
| (i) [Reasons for the offer]    | <p>[●]</p> <p><i>(See “Use of Proceeds” wording in Chapter 1 of the Base Prospectus - if reasons for offer different from making profit and/ or hedging certain risks will need to include those reasons here.)]</i></p>  |
| (ii) Estimated net proceeds    | <p>[●]</p> <p><i>(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)</i></p>  |
| (iii) Estimated total expenses | <p>[●]. [Include breakdown of expenses]</p> <p><i>(It is only necessary to include disclosure of net proceeds and total expenses at (ii) and (iii) above where disclosure is included at (i) above. )</i></p> <p><i>[Indicate the amount of any expenses and taxes specifically charged to the subscribers or purchasers]</i></p> |

#### **6. INFORMATION CONCERNING THE UNDERLYING**

*[Need to include details of where information on the past and future performance and volatility of the underlying can be obtained and where the underlying is a security need to include the name of the issuer(s) of the underlying and ISIN/ other identification code of the underlying, where the underlying is an index need to include the name of the index and a description if composed by the Issuer and if the index is not composed by the Issuer need to include details of where the information about the index can be obtained, where the underlying is of a different category need to provide equivalent information and (unless the Warrants have a denomination of at least EUR 100,000 or can only be acquired for at least EUR 100,000 per security) need to include a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]*

Where the underlying is a basket of underlying, need to include the relevant weightings of each underlying in the basket.

Need to include a description of any market disruption or settlement disruption events that affect the underlying and any adjustment rules in relation to events concerning the underlying (if applicable).

**7. [RESULTS OF THE OFFER]**

*[If public offer, need to include full description of the manner in which, and date on, results of the offer are to be made public]*

**8. POST-ISSUANCE INFORMATION**

*[Indicate whether or not Issuer intends to provide post-issuance information. If so, specify what information will be reported and where such information can be obtained.]*

**9. OPERATIONAL INFORMATION**

- (i) ISIN Code: [●]
- (ii) Common Code: [●]
- (iii) [Other relevant code:] [●] [Not Applicable]
- (iv) Delivery: Delivery [against/free of] payment  
*(Include details of any other method and time limits for paying up and delivering the Warrants)*

**ISSUER**

**ING Belgium International Finance S.A.**

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Grand Duchy of Luxembourg

**GUARANTOR**

**ING Belgium SA/NV**

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Belgium

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LISTING AGENT**

**ING Luxembourg S.A.**

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