



**BNP PARIBAS**

**BNP Paribas Issuance B.V.**

*(incorporated in the Netherlands)*

*(as Issuer)*

**BNP Paribas**

*(incorporated in France)*

*(as Issuer and Guarantor)*

**Warrant and Certificate Programme**

This document (the "**Base Prospectus**") (together with supplements to this Base Prospectus from time to time (each a "**Supplement**" and together the "**Supplements**")) constitutes a base prospectus in respect of the Programme (as defined below). Any Securities (as defined below) issued on or after the date of this Base Prospectus are issued subject to the provisions herein.

This Base Prospectus has not been approved as a prospectus for the purposes of Regulation (EU) 2017/1129 of 14 June 2017, as amended (the "**Prospectus Regulation**") and/or Regulation (EU) 2017/1129 of 14 June 2017 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"). This Base Prospectus constitutes a base prospectus for the purpose of the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities, (*Loi relative aux prospectus pour valeurs mobilières*) (the "**Prospectus Act**").

For the purpose of the issuance of any Securities that will be listed or admitted to trading on SIX Swiss Exchange Ltd ("**SIX Swiss Exchange**") or another Swiss trading venue as such term is used in the Swiss Financial Market Infrastructure Act ("**FMIA**") and/or publicly offered, directly or indirectly, in Switzerland as defined under the Swiss Financial Services Act ("**FinSA**"), the Base Prospectus is dated as of 31 May 2023 and has been approved by SIX Exchange Regulation AG ("**SIX Exchange Regulation**") in its capacity as Swiss Prospectus Office (the "**Swiss Prospectus Office**") on 31 May 2023, and constitutes a base prospectus pursuant to article 45 of FinSA.

**The Securities do not constitute collective investment schemes as such term is used in the Swiss Federal Act on Collective Investment Schemes ("CISA"). Accordingly, holders of the Securities do not benefit from protection under the CISA or supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). Further, investors are exposed to the Issuer's and (in the case of Securities issued by BNPP B.V.) the Guarantor's insolvency risk. The Securities constitute unsubordinated and unsecured obligations of the Issuer and/or the Guarantor and rank pari passu with each and all other current and future unsubordinated and unsecured obligations of the Issuer and/or the Guarantor (if applicable). The insolvency of each of the Issuer and the Guarantor (if applicable) may lead to a partial or total loss of the invested capital.**

Under the terms of the Warrant and Certificate Programme (the "**Programme**"), each of BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNP Paribas ("**BNPP**" or the "**Bank**" and, together with BNPP B.V., the "**Issuers**" and each an "**Issuer**") may from time to time issue warrants ("**Warrants**") or certificates ("**Certificates**" and, together with the Warrants, "**Securities**") of any kind including, but not limited to, Warrants or Certificates relating to a specified index or a basket of indices, a specified share (including two or more shares which are attached to each other so that they trade as a single unit ("**Stapled Shares**")), global depositary receipt ("**GDR**") or American depositary receipt ("**ADR**") or a basket of shares (including Stapled Shares), ADRs and/or GDRs, a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or other exchange traded product (each an "**exchange traded instrument**") or a basket of interests in exchange traded instruments, a specified debt instrument or a basket of debt instruments, a specified currency or a basket of currencies, a specified commodity or commodity index, or a basket of commodities and/or commodity indices, a specified inflation index or a basket of inflation indices, a specified fund share or unit or basket of fund shares or units, a specified futures contract or basket of futures contracts, a specified listed option contract or basket of listed option contracts, or the credit of a specified entity or entities, open end Certificates ("**Open End Certificates**") and open end turbo Certificates ("**OET Certificates**") and any other types of Securities including hybrid Securities whereby the underlying asset(s) may be any combination of such indices, shares, interests in exchange traded instruments, debt, currency, commodities, inflation indices, fund shares or units, future contracts, listed option contracts, credit of specified entities, or other asset classes or types. Each issue of Securities will be issued on the terms set out herein which are relevant to such Securities under "*Terms and Conditions of the Securities*" (the "**Conditions**") and, in each case, on such final terms as will be set out in the final terms to be issued in respect of such Securities (the "**Final Terms**"), a form of which is contained in this Base Prospectus. References herein to the Final Terms may include, in the case of U.S. Securities (as defined below), (x) a supplement to the Base Prospectus prepared under Part 2/Chapter 2/point 206 of the rules and regulations of the Luxembourg Stock Exchange or (y) a prospectus.

The Securities shall be governed by English law ("**English Law Securities**"), Dutch law ("**Dutch Law Warrants**") or French law ("**French Law Securities**"), as specified in the relevant Final Terms, and the corresponding provisions in the Conditions will apply to such Securities. Only English Law Securities will be U.S. Securities.

Securities issued by BNPP B.V. may be secured ("**Secured Securities**") or unsecured ("**Unsecured Securities**") and will be guaranteed by BNPP (in such capacity, the "**BNPP Guarantor**" or the "**Guarantor**") pursuant to either (a) in respect of the Secured Securities, (i) a Deed of Guarantee for Secured Securities, in respect of English Law Securities (the "**Secured Securities English Law Guarantee**") or (ii) a *garantie*, in respect of Secured Securities, which are French Law Securities (the "**Secured Securities French Law Guarantee**" and, together with the "**Secured Securities English Law Guarantee**", the "**Secured Securities Guarantees**"), the forms of which are set out herein or (b) in respect of the unsecured Securities, (i) a Deed of Guarantee for Unsecured Securities, in respect of English Law Securities (the "**English Law Guarantee**") or (ii) a *garantie*, in respect of unsecured Securities, which are French Law Securities (the "**French Law Guarantee**" and, together with the "**English Law Guarantee**", and the "**Dutch Law Guarantee**", the "**Unsecured Securities Guarantees**"), the forms of which are set out herein. The Secured Securities Guarantees and the Unsecured Securities Guarantees together, the "**Guarantees**".

Except in the case of U.S. Securities, each of BNPP B.V. and BNPP has a right of substitution as set out herein.

A description of the Final Terms (which for the avoidance of doubt may be issued in respect of more than one series of Securities) is set out herein on pages 99 to 178 and will specify with respect to each issue of Securities to which it relates, *inter alia*, the specific designation of the Securities, the aggregate number and type of the Securities, the date of issue of the Securities, the issue price, the underlying asset, index, fund, reference entity or

other item(s) to which the Securities relate, the exercise period or date (in the case of Warrants), the redemption date, whether they are interest bearing, partly paid, redeemable in instalments, exercisable (on one or more exercise dates) (in the case of Certificates), the governing law of the Securities, whether the Securities are eligible for sale in the United States and certain other terms relating to the offering and sale of the Securities. With respect to issues of English Law Securities, the Final Terms relating to such issue of Securities will be attached to the Global Security, Rule 144A Global Security, Private Placement Definitive Security, Regulation S Global Security or Permanent Global Security (each as defined below).

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

Any terms and conditions not contained herein which are applicable to each Series (as defined in the Conditions) of Securities will be set out in the applicable Final Terms which, with respect to Securities to be listed on the Euro MTF Market (as defined below), will be delivered to the Luxembourg Stock Exchange on or before the date of issue of the Securities of such series and published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)).

**Prospective purchasers of Securities should ensure that they understand the nature of the relevant Securities and the extent of their exposure to risks and that they consider the suitability of the relevant Securities as an investment in the light of their own circumstances and financial condition. Securities are complex financial instruments and involve a high degree of risk and potential investors should be prepared to sustain a total loss of the purchase price of their Securities. There are significant risks inherent in the holding of the Securities, including the risks in relation to their subordination, the circumstances in which the Securities may be written down or converted to ordinary shares and the implications on prospective purchasers of Securities (such as a substantial loss), the circumstances in which such prospective purchasers may suffer loss as a result of holding the Securities are difficult to predict and the quantum of any loss incurred by investors in the Securities in such circumstances is also highly uncertain. For more information, see "Risks" as set out in the Base Prospectus.**

Unless otherwise permitted under the securities laws of Hong Kong, the Securities should only be offered or sold to investors in Hong Kong in the primary or secondary markets if they are professional investors (as such term is defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and its subsidiary legislation, "Professional Investors") and understand the risks involved.

In particular, the Securities and the Guarantees and, in the case of Physical Delivery Warrants or Physical Delivery Certificates (each as defined below) (together, the "Physical Delivery Securities"), the Entitlement (as defined herein) to be delivered upon the exercise (in the case of Physical Delivery Warrants) or the redemption (in the case of Physical Delivery Certificates) of such Securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or under the securities laws of any state or other jurisdiction of the United States. Furthermore, neither the sale of nor trading in the Securities has been approved by the Commodity Futures Trading Commission ("CFTC") under the United States Commodity Exchange Act, as amended ("CEA") and no U.S. person (as defined herein) may at any time purchase, trade, exercise or maintain a position in the Securities unless otherwise specified in the relevant Final Terms for the Securities. Neither Issuer has registered as an investment company pursuant to the United States Investment Company Act of 1940, as amended (the "Investment Company Act").

Unless otherwise specified in the applicable Final Terms, the Securities are being offered and sold outside the United States to persons that are not U.S. persons (as defined herein) in reliance on Regulation S under the Securities Act, pursuant to CFTC regulations and guidance and subject to the following additional offering and transfer restrictions. No Securities of such series, or interests therein, may at any time be offered, sold, resold, held, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person (as defined herein) and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person (as defined herein) will not be recognised. The Securities of such series may not be legally or beneficially owned at any time by any U.S. person (as defined herein).

Notwithstanding the provisions of this Base Prospectus to the contrary, neither this Base Prospectus nor any copy hereof may be sent, taken into or distributed in the United States or to any U.S. person (as defined herein) or in any other jurisdiction except under circumstances that will result in compliance with the applicable laws thereof. This Base Prospectus may not be reproduced either in whole or in part, without the written permission of the Issuer.

As used herein, "U.S. person" means a person that is (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the CEA; or (iii) a "U.S. person" as defined in (a) the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC or (b) the final rule relating to Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants promulgated by the CFTC, in each case as amended, modified or supplemented from time to time, pursuant to the Commodity Exchange Act; or (iv) any other "U.S. Person" as such term may be defined in Regulation S or in regulations or guidance adopted under the CEA.

If specified in the applicable Final Terms, certain issues of Securities of BNPP eligible for sale in the United States ("U.S. Warrants" or U.S. Certificates", as the case may be, and together, the "U.S. Securities") may also be offered and sold in the United States to (i) persons reasonably believed to be qualified institutional buyers ("QIBs") as defined in Rule 144A under the Securities Act ("**Rule 144A**") and (ii) certain institutional accredited investors ("AIs") as defined in Rule 501(a)(1), (2), (3), (7), (8) or (9) of Regulation D under the Securities Act. Certain issues of U.S. Securities of BNPP B.V. may be offered and sold in the United States to persons reasonably believed to be both QIBs and qualified purchasers ("QPs") as defined under the Investment Company Act of 1940.

Each purchaser of U.S. Securities within the United States is hereby notified that the offer and sale of such U.S. Securities is being made in reliance upon an exemption from the registration requirements of the Securities Act. For a description of certain further restrictions on offers and sales of the Securities and on the distribution of this Base Prospectus, see "*Offering and Sale*" below.

U.S. Securities will, unless otherwise specified in the Final Terms, be sold through BNP Paribas Securities Corp., a registered broker-dealer. Hedging transactions involving Physical Delivery Securities may not be conducted unless in compliance with the Securities Act. See "*Terms and Conditions of the Securities*" below.

Application has been made to the Luxembourg Stock Exchange in its capacity as competent authority (the "**Competent Authority**") under the Prospectus Act for the approval of this Base Prospectus as a prospectus and application may be made to the Luxembourg Stock Exchange for Securities issued under the Programme to be listed on the Euro MTF Market (as defined below) operated by the Luxembourg Stock Exchange (the Euro MTF Market is not a regulated market pursuant to the provisions of Directive 2014/65/EU, as amended (the "**Markets in Financial Instruments Directive**") and/or a UK regulated market as defined in Regulation (EU) No 600/2014 on markets in financial instruments or it forms part of domestic law by virtue of the EUWA but is subject to the

supervision of the financial sector and exchange regulator, the *Commission de Surveillance du Secteur Financier* ("CSSF")) and listed on the Official List of the Luxembourg Stock Exchange during the 12-month period after the date of approval of this Base Prospectus. References in this Base Prospectus to Securities being "listed" (and all related references) shall mean that such Securities have been listed and admitted to trading on the Euro MTF exchange regulated market of the Luxembourg Stock Exchange (including the professional segment of the Euro MTF Market) (the "**Euro MTF Market**"). The Programme provides that Securities may be listed on such further or other stock exchange(s) as the relevant Issuer may decide. The applicable Final Terms will specify whether or not Securities are to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market or any other stock exchange(s) and, if relevant, will include information on the relevant market segment of the stock exchange on which the securities are to be listed. However, this Base Prospectus has not been approved as a base prospectus for the purposes of the Prospectus Regulation and, accordingly, no non-exempt offer to the public may be made and no admission to trading may be applied for on any market in the European Economic Area (the "**EEA**") or the United Kingdom designated as a regulated market, for the purposes of the Prospectus Regulation or the UK Prospectus Regulation, respectively.

Securities may only be issued under this Programme in circumstances where no prospectus is required to be published under the Prospectus Regulation (see "*Offering and Sale*" below). Each Issuer may also issue unlisted Securities. Registered Warrants will be unlisted.

English Law Securities which are issued and transferred through Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and/or Euroclear Bank S.A./N.V. ("**Euroclear**"), Euroclear France SA ("**Euroclear France**"), Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores S.A., Unipersonal ("**Iberclear**"), Monte Titoli S.p.A ("**Monte Titoli**") and/or any other relevant clearing system ("**Clearing System Securities**") will be represented by a global security (each a "**Clearing System Global Security**"), which will be issued and deposited with a common depositary on behalf of Clearstream, Luxembourg, Euroclear, Iberclear, Monte Titoli and/or any other relevant clearing system or, as the case may be, Euroclear France on the date of issue of the relevant Securities in accordance with the rules and regulations of the relevant clearing system. Registered English Law Warrants ("**Registered Warrants**") will be represented by a registered global warrant (each a "**Registered Global Warrant**"), which will be issued and deposited with the Registrar. Registered English Law Certificates ("**Registered Certificates**") will be represented by a registered global certificate (each a "**Registered Global Certificate**" and together with a Registered Global Warrant, a "**Registered Global Security**") held on behalf of Euroclear and/or Clearstream Luxembourg and/or any other relevant clearing system. Clearing System Securities and Securities in definitive registered form ("**Private Placement Definitive Securities**") will not be exchangeable for Registered Securities and Registered Securities will not be exchangeable for Clearing System Securities and Private Placement Definitive Securities. Each Clearing System Global Security and Registered Global Security are each referred to as a "**Global Security**". Swedish Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act (as defined herein). Finnish Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the provisions of Regulation (EU) No 909/2014 (the "**Central Securities Depositories Regulation**"), Finnish Act on the Book-Entry System and Clearing and the Finnish Act on Book-Entry Accounts (as specified herein). Italian Dematerialised Securities (as defined herein) will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli. Swiss Securities (as defined herein) may be issued as Swiss Materialised Securities (as defined herein) or as Swiss Dematerialised Securities (as defined herein). Swiss Materialised Securities will be represented by a global security. Swiss Dematerialised Securities will be issued in uncertificated and dematerialised form. In each case, Swiss Materialised Securities or Swiss Dematerialised Securities will be held as intermediated securities (Bucheffekten) in accordance with the Swiss Federal Intermediated Securities Act ("**FISA**") (*Bucheffektengesetz*). Except as described herein, no definitive Securities will be issued.

French Law Securities will be in bearer dematerialised form (*au porteur*) and will be inscribed (*inscription en compte*) in the books of Euroclear France or Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Netherlands**") which shall credit the accounts of the Holders (as defined in "*Terms and Conditions of the Securities*"). No physical document of title will be issued in respect of French Law Securities. French Law Securities have been accepted for clearance through Euroclear France, Euroclear Netherlands, Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

**The Securities to the extent they constitute "Secured Securities" may not be sold to, or for the account or benefit of, U.S. persons as defined in the U.S. Risk Retention Rules ("Risk Retention U.S. Persons") except to the extent such Risk Retention U.S. Persons have received a waiver from the applicable Sponsor and except as permitted under an exemption to the U.S. Risk Retention Rules as described under "Risks" on page 61 and "Offering and Sale" on pages 679 to 690. "U.S. Risk Retention Rules" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended.**

In the event that the Final Terms specify that the Securities are U.S. Securities, (A) the U.S. Securities sold in the United States by BNPP to QIBs within the meaning of Rule 144A will be represented by one or more global Securities (each, a "**Rule 144A Global Security**") issued and deposited with (1) a custodian for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**") or (2) a common depository on behalf of Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") or Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant clearing system, (B) the U.S. Securities sold in the United States by BNPP to AIs will be issued and registered in definitive form (each, a "**Private Placement Definitive Security**") (C) U.S. the Securities sold in the United States by BNPP B.V. to QIBs who are QPs will be represented by a Rule 144A Global Security and (D) in any such case, U.S. Securities sold outside the United States to persons that are not U.S. persons will be represented by a one or more global Securities (each, a "**Regulation S Global Security**") issued and deposited with a common depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant clearing system and may not be legally or beneficially owned at any time by any U.S. person. In the event that the Final Terms do not specify that Securities are eligible for sale within the United States or to U.S. persons, the Securities offered and sold outside the United States to non-U.S. persons may not be legally or beneficially owned at any time by any U.S. person and will be represented by a Clearing System Global Security or a Registered Global Security, as the case may be.

The rating of certain series of Securities to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant series of Securities will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) ("**CRA Regulation**") or in the United Kingdom and registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**") will be disclosed in the applicable Final Terms.

If and to the extent FinSA Securities (as defined below) will be listed or admitted to trading on SIX Swiss Exchange or another Swiss trading venue as such term is used in FMIA and/or publicly offered, directly or indirectly, in Switzerland as defined under FinSA, a prospectus pursuant to the requirements of Article 40 et seq. FinSA is required. Such requirement will be met by (i) the publication of Final Terms prepared on the basis of the Form of Final Terms set out in the Base Prospectus, and (ii) registering the applicable Final Terms with the Swiss Prospectus Office and publishing the applicable Final Terms in accordance with the rules of FinSA. Any Securities that fall within the scope of the requirement to publish a prospectus pursuant to FinSA shall be "**FinSA Securities**" and any Securities that do not fall within the scope of the requirement to publish a prospectus pursuant to FinSA shall be "**FinSA Exempt Securities**".

## IMPORTANT NOTICE

### Disclaimer statement for structured products (Securities)

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

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

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

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

All offers of Securities to investors in the Kingdom of Bahrain will be made by way of private placement and may only be offered to accredited investors in the Kingdom of Bahrain in minimum subscriptions of U.S. \$100,000 (or equivalent in other countries).

**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the SFA)** – Unless otherwise specified in the applicable Final Terms in respect of any Securities, all Securities issued or to be issued under the Programme shall be capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

**Guidance under the Hong Kong Monetary Authority (the "HKMA") circular** - In October 2018, the HKMA issued a circular regarding enhanced investor protection measures on the sale and distribution of debt instruments with loss-absorption features and related products (the "**HKMA Circular**"). Under the HKMA Circular, debt instruments with loss-absorption features, being subject to the risk of being written-down or converted to ordinary shares, and investment products that invest mainly in, or whose returns are closely linked to the performance of such instruments (together, "**Loss-Absorption Products**"), are to be targeted in Hong Kong at professional investors (as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and its subsidiary legislation, "**Professional Investors**") only. Unless otherwise specified in the applicable Final Terms in respect of any Securities, all Securities (other than Secured Securities) issued or to be issued under the Programme may contain loss-absorption features and may be considered Loss-Absorption Products under the HKMA Circular. **Investors in Hong Kong should not purchase Securities with loss-absorption features unless they are Professional Investors and understand the risks involved. Such Securities are generally not suitable for retail investors in Hong Kong in either the primary or the secondary markets.**

**IMPORTANT – EEA AND UK RETAIL INVESTORS** – Where a key information document is required pursuant to Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") or Regulation (EU) No. 1286/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK PRIIPs Regulation**"), as the case may be, the Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in (i) the EEA, unless a key information document will be made available (if required) in the EEA jurisdiction(s) in which the Securities are offered, sold or otherwise made available to such retail investor(s) or (ii) the United Kingdom ("**UK**") unless a key information document will be made available (if required) in the UK. For these purposes, a retail investor means a person who is one (or more) of:

- (a) in the case of retail investors in the EEA:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**");
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; or
- (b) in the case of retail investors in the UK:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the EUWA;
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Consequently, no key information document required by:

- (a) the PRIIPs Regulation for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared, other than in respect of the jurisdiction(s) for which a key information document will be made available, and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation; and
- (b) the UK PRIIPs Regulation for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared, and therefore, offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**MiFID II product governance / target market** – The Final Terms in respect of any Securities will include a legend entitled "MiFID II product governance/target market assessment" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for



undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

**UK MiFIR product governance / target market** – The Final Terms in respect of any Securities may include a legend entitled "UK MiFIR product governance/target market assessment" which will outline the target market assessment in respect of the Securities and which channels for distribution of the Securities are appropriate. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

In relation to each separate issue of Securities, the final offer price and the amount of such Securities will be determined by the Issuer and the relevant manager in accordance with prevailing market conditions at the time of the issue of the Securities and will be set out in the relevant Final Terms.

No person is authorised to give any information or to make any representation not contained in or not consistent with this document or any other information supplied in connection with the Programme and, if given or made, such information or representation must not be relied upon as having been authorised by BNPP B.V., BNPP or any manager of an issue of Securities, including BNPP Securities Corp. (as applicable to such issue of Securities, each a "**Manager**"). This document does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation and no action is being taken to permit an offering of the Securities or the distribution of this document in any jurisdiction where any such action is required.

This document is to be read and construed in conjunction with any Final Terms and with all documents which are deemed to be incorporated herein by reference (see "*Documents Incorporated by Reference*" below).

Warrants create options exercisable by the relevant holder or which will be automatically exercised as provided herein. There is no obligation on the Issuer to pay any amount or deliver any asset to any holder of a Warrant unless the relevant holder duly exercises such Warrant or such Warrants are automatically exercised and, where applicable, an Exercise Notice is duly delivered. The Warrants will be exercisable in the manner set forth herein and in the applicable Final Terms. In certain instances, the holder of a Warrant will be required to certify, *inter alia* (in accordance with the provisions outlined in "*Offering and Sale*" below), that it is not a U.S. person (as defined above) or exercising such Warrant on behalf of a U.S. person. Upon transfer, exchange or exercise of a U.S. Warrant (as defined above), the holder will, in certain circumstances, be required to certify that the transfer, exchange or exercise, as the case may be, is being made to, or on behalf of, a person whom the holder reasonably believes is not a U.S. person or is a QIB or an AI, as applicable, who acquired the right to such transfer, exchange or the benefit of such exercise in a transaction exempt from the registration requirements of the Securities Act. The proposed transferee may also be required to deliver an investment letter as a condition precedent to such proposed transfer or exchange (in accordance with the provisions outlined in Condition 2.4 of "*Terms and Conditions of the Securities*" below).

Certificates shall be redeemed on each instalment date and/or the redemption date by payment of one or more Cash Settlement Amount(s) (in the case of Cash Settled Certificates) and/or by delivery of the Entitlement (in the case of Physical Delivery Certificates). In order to receive the Entitlement, the holder of a Certificate will be required to submit an Asset Transfer Notice and in certain circumstances to certify, *inter alia* (in accordance with the provisions outlined in Condition 35.2(a) of "*Terms and Conditions of the Securities*"), that it is not a U.S. person or acting on behalf of a U.S. person. Upon transfer or exchange of a U.S. Certificate, the holder will, in certain circumstances, be required to certify that the transfer or exchange, as the case may be, is being made to a person whom the transferor or exchange or reasonably believes is not a U.S. person or is a QIB or an AI, as

applicable, who acquired the right to such transfer or exchange in a transaction exempt from the registration requirements of the Securities Act. The proposed transferee may also be required to deliver an investment letter as a condition precedent to such proposed transfer or exchange (in accordance with the provisions outlined in Condition 2.4 of "*Terms and Conditions of the Securities*" below). Where Certificates are Exercisable Certificates, such Certificates will be automatically exercised on one or more dates as provided herein. Exercisable Certificates are Cash Settled Certificates.

The Securities of each issue may be sold by the relevant Issuer and/or any Manager at such time and at such prices as the Issuer and/or the Manager(s) may select. There is no obligation upon the Issuer or any Manager to sell all of the Securities of any issue. The Securities of any issue may be offered or sold from time to time in one or more transactions in the over-the-counter market or otherwise at prevailing market prices or in negotiated transactions, at the discretion of the Issuer.

Subject to the restrictions set forth herein, each Issuer shall have complete discretion as to what type of Securities it issues and when.

No Manager has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any Manager as to the accuracy or completeness of the information contained in this Base Prospectus or any other information provided by BNPP B.V. and/or BNPP. The Manager(s) accept no liability in relation to the information contained in this Base Prospectus or any other information provided by BNPP B.V. and/or BNPP in connection with the Programme.

BNPP B.V. and BNPP have not investigated, and do not have access to information that would permit them to ascertain, whether any company that has issued equity, debt or other instruments to which any U.S. Securities relate is a passive foreign investment company for U.S. tax purposes. Prospective investors in any U.S. Securities that are U.S. taxpayers should consult their own advisers concerning U.S. tax considerations relevant to an investment in such U.S. Securities.

Neither this Base Prospectus nor any other information supplied in connection with the Programme should be considered as a recommendation by BNPP B.V., BNPP or any Manager that any recipient of this Base Prospectus or any other information supplied in connection with the Programme should purchase any Securities. Each investor contemplating purchasing any Securities should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of BNPP B.V. and/or BNPP. Neither this Base Prospectus nor any other information supplied in connection with the Programme constitutes an offer or an invitation by or on behalf of BNPP B.V. or BNPP or the Managers or any other person to subscribe for or to purchase any Securities.

This Base Prospectus may only be used for the purposes for which it has been published.

This Base Prospectus does not constitute an offer of, or an invitation by or on behalf of BNPP B.V., BNPP or any Manager to subscribe for or purchase any securities. The delivery of this Base Prospectus does not at any time imply that the information contained herein concerning BNPP B.V. or BNPP is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. No Manager undertakes to review the financial condition or affairs of BNPP B.V. or BNPP during the life of the Programme. Investors should review, *inter alia*, the most recently published audited annual non-consolidated financial statements and interim financial statements of BNPP B.V. and/or the most recently published audited annual consolidated financial statements, unaudited semi-annual interim consolidated financial statements and quarterly results of BNPP, when deciding whether or not to purchase any Securities.

The distribution of this Base Prospectus and the offering of Securities in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus comes are required by BNPP B.V., BNPP and each Manager to inform themselves about and to observe any such restrictions.

In this Base Prospectus references to (a) U.S.\$ and U.S. dollars are to United States dollars, (b) euro, € and EUR are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended and (c) Renminbi, RMB and CNY are to the lawful currency of the People's Republic of China (excluding the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), the Macau Special Administrative Region of the People's Republic of China ("**Macau**") and Taiwan).

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

**FinSA Exempt Securities** – Other than in respect of FinSA Securities, neither the Base Prospectus (including any supplement thereto) nor any other offering or marketing material relating to the Securities constitutes a prospectus pursuant to FinSA, and neither the Base Prospectus (including any supplement thereto) nor any other offering or marketing material relating to the Securities may be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with. FinSA Exempt Securities may only be offered, sold or advertised, directly or indirectly, in Switzerland if the Securities: (a) are addressed solely at investors classified as Professional or Institutional Clients (as defined below); (b) are addressed at fewer than 500 Retail Clients (as defined below); (c) are addressed at investors acquiring securities to the value of at least CHF 100,000; (d) have a minimum denomination per unit of CHF 100,000; or (e) do not exceed a total value of CHF 8 million over a 12-month period.

All clients other than professional clients (*professionelle Kunden*) and institutional clients (*institutionelle Kunden*), as defined in Article 4 para. 3, 4 and 5 and Article 5 para. 1 and 2 FinSA ("**Professional or Institutional Clients**"), are retail clients ("**Retail Clients**"). Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal Banking Act, the Swiss Federal Financial Institutions Act or CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and/or (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients (as defined below).

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, they have the necessary knowledge to understand the risks resulting from an investment in the Securities and who owns, directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that they own, directly or indirectly, eligible financial assets worth at least CHF 2 million.

**Swiss Retail Clients** – FinSA Securities are only intended to be publicly offered, directly or indirectly, in Switzerland within the meaning of FinSA or admitted to trading in Switzerland in accordance with FinSA if the applicable Final Terms specify that the Securities are FinSA Securities, are registered with the Swiss Prospectus Office and are published in accordance with FinSA. Furthermore, FinSA Securities may only be offered to Retail Clients in Switzerland if a key investor document (Basisinformationsblatt) as such term is used in Article 58 et seq. of FinSA relating to the Securities (a "**FinSA-KID**") or a key information document pursuant to the PRIIPs Regulation has been prepared and provided to the relevant Retail Client.

## AVAILABLE INFORMATION

So long as any of the U.S. Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, and neither BNPP nor BNPP B.V. is subject to and in compliance with Section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, BNPP has undertaken to furnish to each Holder or beneficial owner of U.S. Securities, whether issued by BNPP or issued by BNPP B.V. and guaranteed by BNPP, and to any prospective purchaser, any information required to be delivered under Rule 144A(d)(4) under the Securities Act.

## FORWARD-LOOKING STATEMENTS

The documents incorporated by reference (such sections being the "**BNP Paribas Disclosure**") contain forward-looking statements. BNP Paribas, BNPP B.V. and the BNP Paribas Group (being BNP Paribas together with its consolidated subsidiaries, the "**Group**" or "**BNP Paribas Group**") may also make forward-looking statements in their offering circulars, in press releases and other written materials and in oral statements made by their officers, directors or employees to third parties. Statements that are not historical facts, including statements about BNPP, BNPP B.V. or the Group's beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore undue reliance should not be placed on them. Forward-looking statements speak only as of the date they are made, and BNPP, BNPP B.V. and the Group undertake no obligation to update publicly any of them in light of new information or future events.

## PRESENTATION OF FINANCIAL INFORMATION

Most of the financial data presented, or incorporated by reference, in this Base Prospectus are presented in euros.

The audited consolidated financial statements of BNPP for the years ended 31 December 2021 and 31 December 2022 have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union. IFRS differs in certain significant respects from generally accepted accounting principles in the United States ("**U.S. GAAP**"). The Group has made no attempt to quantify the impact of those differences. In making an investment decision, investors must rely upon their own examination of the Group, the terms of an offering and the financial information. Potential investors should consult their own professional advisors for an understanding of the differences between IFRS and U.S. GAAP, and how those differences might affect the information herein. The Group's fiscal year ends on 31 December and references in the BNPP 2021 Universal Registration Document (in English) and the BNPP 2022 Universal Registration Document (in English) and any amendment to the BNPP 2022 Universal Registration Document (in English) (in each case, as defined in "*Documents Incorporated by Reference*" below and incorporated by reference herein) to any specific fiscal year are to the 12-month period ended 31 December of such year.

The audited financial statements of BNPP B.V. for the year ended 31 December 2021 have been prepared in accordance with generally accepted accounting principles in the Netherlands ("**Dutch GAAP**") and the audited financial statements of BNPP B.V. for the year ended 31 December 2022 have been prepared in accordance with IFRS.

Due to rounding, the numbers presented throughout the BNP Paribas Disclosure and in the table under the heading "Capitalization and Medium and Long Term Debt Indebtedness over one year of BNPP and the BNP Paribas Group" in the *General Information* section below may not add up precisely, and percentages may not reflect precisely absolute figures.

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## SUMMARY OF THE BASE PROSPECTUS

This summary must be read as an introduction to this Base Prospectus. Any decision to invest in any Securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference. The Issuer does not accept any liability whatsoever solely on the basis of this summary unless the information of this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or the Final Terms.

Words and expressions defined in "Risks", in the applicable Conditions and in the applicable Final Terms shall have the same meanings in this summary.

### Issuers

BNP Paribas Issuance B.V. ("**BNPP B.V.**"), a limited liability company under Dutch law ("*besloten vennootschap met beperkte aansprakelijkheid*"), having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands.

Issuer Legal Entity Identifier (LEI): 7245009UXRIGIRYOB48.

BNP Paribas ("**BNPP**" or the "**Bank**"), a French *société anonyme*, having its registered office at 16 boulevard des Italiens, 75009 Paris, France.

Issuer Legal Entity Identifier (LEI): R0MUWSFPU8MPRO8K5P83.

### Guarantor

BNP Paribas

### Description of BNPP B.V.

#### 1. Key information on BNPP B.V.:

BNPP B.V. is a private company with limited liability under Dutch law whose purpose and principal objectives are to issue and/or acquire financial instruments of any nature and to enter into related agreements for the account of various entities within the Group (as defined below).

#### 2. Share capital as of 31 December 2022:

Its fully paid-up and issued share capital as of 31 December 2022 amounts to EUR 45,379 divided into 45,379 shares of EUR 1 each.

#### 3. Selected key financial information:

#### BALANCE SHEET IN SUMMARY (before appropriation of the net result)

	31.12.2022 (audited)	31.12.2021 (audited)
	EUR	EUR
Financial fixed assets / Non-Current Assets	74,783,786,119	67,572,517,351
Current assets	19,780,746,616	19,504,843,599

TOTAL ASSETS	94,564,532,735	87,077,360,950
Shareholder's equity / Total Equity	748,104	651,937
Long term liabilities / Non-Current Liabilities	74,783,786,118	67,572,137,428
Current liabilities	19,779,998,513	19,504,571,585
TOTAL EQUITY AND LIABILITIES	94,564,532,735	87,077,360,950

**PROFIT AND LOSS ACCOUNT / INCOME  
STATEMENT in summary**

	<b>2022</b> <b>(audited)</b>	<b>2021</b> <b>(audited)</b>
	EUR	EUR
Income including interest received / Fee Income and Other income	894,672	439,575
Costs, including interest paid and the tax charge / Operating expenses, bank costs and similar charges and corporate income tax	(798,505)	(405,680)
Profit after taxation / Profit for the year attributable to equity shareholders (parent)	96,167	33,895

**CASH FLOW STATEMENT in summary**

	<b>2022</b> <b>(audited)</b>	<b>2021</b> <b>(audited)</b>
	EUR	EUR
Cash flow from / (used in) operating activities	-113,916	622,151
Increase/Decrease cash at banks / Net increase/(decrease) in cash and cash equivalents	-113,916	622,151
Cash at bank at 31 December / Net cash and cash equivalents at the end of the year	671,576	785,492

**Description of BNPP**

**1. Key information on BNPP:**

BNPP is a European leading provider of banking and financial services and has four domestic retail banking markets in Europe, namely in France, Belgium, Italy and Luxembourg. It is present in 65

countries and has more than 190,000 employees, including nearly 145,000 in Europe. BNPP is the parent company of the BNP Paribas Group (together the "**Group**" or "**BNP Paribas Group**").

**2. Share capital as of 31 December 2022:**

EUR **2,468,663,292** divided into 1,234,331,646 fully paid-up shares with a par of EUR 2 each.

**3. Main activities and markets:**

BNP Paribas' organisation is based on three operating divisions: Corporate & Institutional Banking (CIB), Commercial, Personal Banking & Services (CPBS) and Investment & Protection Services (IPS).

(i) Corporate and Institutional Banking (CIB) division, combines:

- Global Banking;
- Global Markets;
- Securities Services.

(ii) Commercial, Personal Banking & Services division, covers:

- Commercial & Personal Banking in the eurozone:
  - Commercial & Personal Banking in France (CPBF);
  - BNL banca commerciale (BNL bc), Italian Commercial & Personal Banking;
  - Commercial & Personal Banking in Belgium (CPBB);
  - Commercial & Personal Banking in Luxembourg (CPBL);
- Commercial & Personal Banking outside the eurozone, organised around:
  - Europe-Mediterranean, covering Commercial & Personal Banking outside the euro zone, in particular in Central and Eastern Europe, Turkey and Africa;
- Specialised businesses:
  - BNP Paribas Personal Finance,
  - Arval and BNP Paribas Leasing Solutions,
  - New Digital Businesses (in particular Nickel, Floa, Lyf) and BNP Paribas Personal Investors;

(iii) Investment & Protection Services division, combines:

- Insurance (BNP Paribas Cardif);
- Wealth and Asset Management: BNP Paribas Asset Management, BNP Paribas Real Estate, BNP Paribas Principal Investments (management of the BNP Paribas Group's portfolio of unlisted and listed industrial and commercial investments) and BNP Paribas Wealth Management.



#### 4. Selected key financial information:

On 2 May 2023, BNP Paribas reported restated quarterly series for 2022 to reflect for each quarter: (i) the application of IFRS 5 relating to disposal groups of assets and liabilities held for sale, following the sale of Bank of the West on 1 February 2023; (ii) the application of IFRS 17 (Insurance Contracts) and the application of IFRS 9 for insurance entities, effective 1 January 2023; (iii) the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) to Türkiye, effective 1 January 2022; and (iv) the internal transfers of activities and results at Global Markets and Commercial & Personal Banking in Belgium.

##### Income Statement

<i>(in millions of euros)</i>	<u>Year</u> <u>31/12/2022</u>	<u>Year-1</u> <u>31/12/2021</u>	<u>Year-2</u> <u>31/12/2020</u>	<u>Interim</u> <u>31/03/23</u>	<u>Interim</u> <u>31/03/22</u>
Net interest income	N/A	19,238	21,312	N/A	N/A
Net fee and commission income	N/A	10,362	9,862	N/A	N/A
Net gain on financial instruments	N/A	7,777	7,146	N/A	N/A
Revenues	45,430	43,762	44,275	12,032	11,868
Cost of Risk	(3,003)	(2,971)	(5,717)	(642)	(651)
Operating income	12,564	11,325	8,364	2,199	2,463
Net income attributable to equity holders	9,848	9,488	7,067	4,435	1,840
Earnings per share (in euros)	7.80	7.26	5.31	2.19	1.53

##### Balance Sheet

<i>(in millions of euros)</i>	<u>Year</u> <u>31/12/2022</u>	<u>Year-1</u> <u>31/12/2021</u>	<u>Year-2</u> <u>31/12/2020</u>	<u>Interim</u> <u>31/03/23</u>	<u>Interim</u> <u>31/03/22</u>
Total assets	2,666,376	2,634,444	2,488,491	2,693,796	2,860,836
Debt securities	224,603	220,106	212,351	243,281	233,552
<i>of which mid long term</i>	58,899 <sup>(1)</sup>	78,845 <sup>(1)</sup>	82,086 <sup>(1)</sup>	N/A	N/A
<i>Senior Preferred</i>					
Subordinated debt	24,832	25,667	23,325	N/A	N/A
Loans and receivables from customers (net)	857,020	814,000	809,533	854,272	838,965
Deposits from customers	1,008,054	957,684	940,991	1,001,453	1,009,206
Shareholders' equity (Group share)	121,792	117,886	112,799	127,145	119,050
Doubtful loans/gross outstandings <sup>(2)</sup>	1.7%	2.0%	2.1%	1.7%	1.9%
Common Equity Tier 1 capital (CET1) ratio	12.3%	12.9%	12.8%	13.6%	12.4%
Total Capital Ratio	16.2%	16.4%	16.4%	17.9%	16.0%
Leverage Ratio <sup>(3)</sup>	4.4%	4.1%	4.4%	4.4%	3.8%

<sup>(1)</sup> Regulatory scope

<sup>(2)</sup> Impaired loans (stage 3) to customers and credit institutions, not netted of guarantees, including on-balance sheet and off-balance sheet and debt securities measured at amortised costs or at fair value through shareholders' equity reported on

*gross outstanding loans to customers and credit institutions, on-balance sheet and off-balance sheet and including debt securities measured at amortised costs or at fair value through shareholders' equity (excluding insurance).*

- (3) *Without the effect of the temporary exemption related to deposits with Eurosystem central banks (calculated in accordance with Regulation (EU) No. 2020/873, Article 500b). The temporary exemption for the exclusion of deposits with Eurosystem central banks ended on 31 March 2022.*

#### *Statements of no significant or material adverse change*

There has been no significant change in the financial performance or position of BNPP or the Group since 31 March 2023 (being the end of the last financial period for which interim financial statements have been published). Except as disclosed in this Base Prospectus (including the documents incorporated by reference herein), there has been no material adverse change in the prospects of BNPP or the Group since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published).

There has been no significant change in the financial performance or position of BNPP B.V. since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published). There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published).

To the best of the relevant Issuer's knowledge, there have not been any recent events which are to a material extent relevant to the evaluation of the relevant Issuer's solvency since 31 March 2023.

## **Description of the Programme**

### **Warrant and Certificate Programme**

## **Risks Factors**

There are certain factors that may affect the relevant Issuer's ability to fulfil its obligations under this Base Prospectus. In the case of Securities issued by BNPP B.V., there are also certain factors that may affect the Guarantor's ability to fulfil its obligations under the Guarantee. In addition, there are certain factors which are material for the purpose of assessing the market risks and legal risks associated with Securities issued under the Programme, risks relating to the structure of a particular Series of Securities and risks relating to the Underlying Reference or the disruption and adjustment provisions of a particular Series of Securities issued under the Programme. All of these are set out under "*Risks*". Additional considerations associated with an investment in the Securities are also set out under "*Investment Considerations*".

## **Securities**

Securities may be issued as index Securities ("**Index Securities**"), share, GDR or ADR Securities ("**Share Securities**"), exchange traded instrument Securities ("**ETI Securities**"), debt Securities ("**Debt Securities**"), commodity Securities ("**Commodity Securities**"), inflation index Securities ("**Inflation Index Securities**"), currency Securities ("**Currency Securities**"), fund Securities ("**Fund Securities**"), futures contracts Securities ("**Futures Securities**"), listed option securities ("**Listed Option Securities**"), credit Securities ("**Credit Securities**") or open end turbo Certificates ("**OET Certificates**") which will be redeemed on a date determined by the Issuer, in its sole and absolute discretion, subject as provided herein or preference share Certificates linked to a specified preference share issued by BNP Paribas Synergy Limited ("**Preference Share Certificates**") or any other or further type of warrants or certificates including as hybrid Securities ("**Hybrid Securities**") whereby the Underlying Reference may be any combination of such indices, shares, GDRs, ADRs, interests in exchange traded instruments, debt instruments, currencies, commodities, inflation indices, currency, fund shares or units, futures contracts, listed option contracts, the credit of specified reference entities or other asset classes or types.

**Settlement**

Securities may be cash or physically settled.

In certain circumstances the Issuer or the Holder or (if applicable) the Guarantor may vary settlement in respect of the Securities.

**Index Securities**

Payments in respect of Index Securities will be calculated by reference to one or more indices as set out in the applicable Final Terms. Index Securities may be linked to an index or indices comprising, *inter alia*, reference equities, bonds, property and/or other assets or bases of reference (including one or more custom indices established, calculated and/or sponsored by BNPP and/or its affiliates).

Index Securities may be subject to cancellation or early redemption or adjustment if an Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Index's sponsor fails to calculate and announce the Index, or certain events (such as illegality, disruptions or cost increases) occur with respect to the Issuer's or any of its affiliates' hedging arrangements.

If certain disruption events occur with respect to valuation of an Index such valuation will be postponed and may be made by the Calculation Agent. Payments may also be postponed.

**Share Securities**

Payments in respect of Share Securities will be calculated by reference to one or more shares, ADRs and/or GDRs (together referred to herein as "**Shares**" and each a "**Share**") as set out in the applicable Final Terms. Share Securities may also provide for settlement by physical delivery of the Entitlement.

Share Securities may be subject to cancellation or early redemption or adjustment (including as to valuation and in certain circumstances share substitutions) if certain corporate events (such as events affecting the value of a Share (including Share, or in the case of GDRs and ADRs, Underlying Share, divisions or consolidations, extraordinary dividends, redenomination of a Share and capital calls); de-listing of a Share or Underlying Share; insolvency, merger or nationalisation of a Share or Underlying Share issuer; a tender offer or redenomination of a Share or Underlying Share occur, if certain events (such as illegality, disruptions or cost increases) occur with respect to the Issuer's or any of its affiliates' hedging arrangements, or if insolvency filings are made with respect to a Share or Underlying Share issuer.

**ETI Securities**

Payments in respect of ETI Securities will be calculated by reference to interests in one or more exchange traded instruments as set out in the applicable Final Terms. ETI Securities may also provide for settlement by physical delivery of the Entitlement.

**Debt Securities**

Payments in respect of Debt Securities will be calculated by reference to one or more debt instruments (or debt futures or options contracts) as set out in the applicable Final Terms. Debt Securities may also provide for settlement by physical delivery of the Entitlement.

**Commodity Securities**

Payments in respect of Commodity Securities will be calculated by reference to one or more commodities and/or commodity indices as set out in the applicable Final Terms.

Commodity Securities may be subject to adjustment (including as to valuations) if certain events occur with respect to a Commodity, Commodity Index or Index Component (such as a trading disruption, the disappearance of, or disruption in publication of, a reference price; and in certain circumstances a change in the formula for

calculating a reference price; or a change in the content of a Commodity, an index component disruption event or an index disruption event in respect of a Commodity Index.

Commodity Securities may be subject to cancellation or early redemption or adjustment if a Commodity Index is modified or cancelled and there is no successor index acceptable to the Calculation Agent, if the Commodity Index's sponsor fails to calculate and announce the Commodity Index, or certain events (such as illegality or disruptions) occur with respect to the Issuer's or any of its affiliates' hedging arrangements).

#### **Inflation Index Securities**

Payments in respect of Inflation Index Securities will be calculated by reference to one or more inflation indices as set out in the applicable Final Terms.

#### **Currency Securities**

Payments in respect of Currency Securities will be calculated by reference to one or more foreign exchange rates as set out in the applicable Final Terms.

In the case of Dual Currency Certificates, the Settlement Currency for any amount calculated to be payable in respect of interest (if any) or premium amount (if any) and/or any amount calculated to be payable on redemption of the Certificates will depend on the performance of the exchange rate on the relevant Dual Currency Determination Date compared to the initial exchange rate specified in the applicable Final Terms.

#### **Fund Securities**

Payments in respect of Fund Securities will be calculated by reference to units, interests or shares in a single fund or basket of funds on such terms as set out in the applicable Final Terms. Fund Securities may also provide for settlement by physical delivery of the Entitlement.

Fund Securities may be subject to cancellation or early redemption or adjustment (including as to valuation and fund substitutions) if certain corporate events (such as insolvency (or analogous event) occurring with respect to a fund; litigation against, or regulatory events occurring with respect to a fund; suspensions of fund subscriptions or redemptions; certain changes in net asset value of a Fund; or modifications to the investment objectives or changes in the nature or administration of a Fund occur, if certain valuation or settlement disruption events occur with respect to a fund, or if certain events (such as illegality, disruptions or cost increases) occur with respect to the Issuer's or any affiliate's hedging arrangements.

#### **Futures Securities**

Payments in respect of Futures Securities will be calculated by reference to one or more futures contract as set out in the applicable Final Terms.

#### **Listed Option Securities**

Payments in respect of Listed Option Securities will be calculated by reference to one or more listed option contracts as set out in the applicable Final Terms.

#### **Credit Securities**

Securities with respect to which payments are linked to the credit of a specified entity or entities will be issued on such terms as are specified in the applicable Final Terms.

If Conditions to Settlement are satisfied, each Security will be redeemed by the payment of (i) the Auction Settlement Amount if Auction Settlement applies as the applicable Settlement Method (unless a Fallback Settlement Event occurs, in which event the applicable Fallback Settlement Method shall apply), (ii) the Cash Settlement Amount, if Cash Settlement applies as the applicable Settlement Method, or (iii) by Delivery of the Deliverable Obligations specified in the Notice of Physical Settlement and payment of any Physical Settlement

Adjustment Rounding Amount, if Physical Delivery applies as the applicable Settlement Method, as more fully set out under "*Terms and Conditions of the Securities*".

Certain Certificates may be linked to the credit of a financial institution with which a deposit is made by an affiliate of the Issuer. If Conditions to Settlement are satisfied in respect of such Certificates, each Certificate will be redeemed at its Credit Event Settlement Amount.

#### **OET Certificates**

OET Certificates will be redeemed on a date determined by the Issuer, in its sole and absolute discretion, subject as provided in the "*Terms and Conditions of the Securities*" and the applicable Final Terms.

Payment in respect of OET Certificates will be calculated by reference to a share, interest in an exchange traded instrument, index, currency, futures contract or commodity, as set out in the applicable Final Terms.

OET Certificates may be subject to early redemption or adjustment if certain events (such as events affecting the relevant shares, interest in an exchange traded instrument, index, currency, futures contract or commodity) occur with respect to the underlying asset.

#### **Preference Share Certificates**

Payments in respect of Preference Share Certificates will be calculated by reference to the performance of a single specified preference share of BNP Paribas Synergy Limited (the "**Preference Share Issuer**").

Preference Share Certificates will be subject to early redemption if certain corporate events (such as insolvency, merger or nationalisation of the Preference Share Issuer or a tender offer) occur, or if certain events (such as illegality disruptions or cost increases) occur with respect to the Issuer's or any affiliate's hedging arrangements, or if insolvency filings are made with respect to the Preference Share Issuer or if the Issuer, or any of its affiliates, receives notice from the Preference Share Issuer that the relevant preference shares are to be redeemed prior to the Redemption Date.

#### **Hybrid Securities**

Payments in respect of Hybrid Securities will be calculated by reference to any combination of Underlying References as set out in the applicable Final Terms.

#### **Warrants**

Warrants may be American Style Warrants or European Style Warrants. American Style Warrants are exercisable in the manner set out in the Terms and Conditions of the Securities on any Exercise Business Day during the Exercise Period. European Style Warrants are exercisable in the manner set out in the "*Terms and Conditions of the Securities*" on the Exercise Date. Cash Settled Warrants may be automatically exercised.

#### **Certificates**

Certificates (other than Exercisable Certificates) will be redeemed on the Redemption Date, subject as provided in the "*Terms and Conditions of the Securities*" as amended and/or supplemented by the applicable Final Terms. Exercisable Certificates will be automatically exercised on the Exercise Date.

#### **Interest**

Certificates may pay interest on the basis of a fixed or floating rate of interest or by reference to the performance of one or more Underlying Reference.

#### **Physical Settlement**

In order to receive the Entitlement, a Holder must, in the case of Certificates, deliver a duly completed asset transfer notice on the specified cut-off date and, in the case of all Securities, pay all Taxes and Expenses and, in the case of Warrants, the relevant Exercise Price.

If certain events or circumstances occur on settlement, the date of settlement may be postponed and in certain circumstances the Issuer will be entitled to pay a cash amount in lieu of physical delivery.

*When the Securities provide for physical delivery of Hong Kong stock (as defined in the Stamp Duty Ordinance (Cap. 117, Laws of Hong Kong)), to satisfy the Issuer's delivery obligations, the Issuer may procure its affiliate(s) to deliver the Hong Kong stock to the holder of the Securities. The Issuer's affiliate(s) will act in a principal capacity for such delivery.*

### **Status of the Securities**

Securities may be secured or unsecured. The status of the Securities will be as set out in the applicable Final Terms.

Securities (other than Secured Securities) are unsubordinated and unsecured obligations of the Issuer and rank *pari passu* among themselves.

Secured Securities are unsubordinated and secured obligations of BNPP B.V. and rank *pari passu* amongst themselves. In respect of Secured Securities, BNPP B.V. will grant a security interest in favour of the Collateral Agent on behalf of itself and the relevant Holders over assets (such assets, the "**Collateral Assets**") held in accounts with a custodian or bank (each a "**Collateral Account**"). One or more series of Secured Securities may be secured by the same pool of Collateral Assets (each a "**Collateral Pool**"). The Collateral Assets in a Collateral Pool must consist of Eligible Collateral and may be comprised of a cash deposit, any debt securities, equity securities and/or shares, units or other interests in a Collective Investment Scheme, or other assets as specified in the applicable Final Terms. The applicable Final Terms will specify the Collateral Assets which comprise the Collateral Pool(s) for the series of Secured Securities and whether or not the Issuer will provide collateral in respect of the nominal value of the relevant Secured Securities ("**Nominal Value Collateralisation**") or in respect of part of the nominal value of the relevant Secured Securities ("**Partial Nominal Value Collateralisation**") or in respect of the marked to market value of the Secured Securities ("**MTM Collateralisation**") or in respect of part of the marked to market value of the Secured Securities ("**Partial MTM Collateralisation**"). The Issuer will not hold Collateral Assets in respect of Secured Securities where it or one of its affiliates is the beneficial owner of such Secured Securities. In addition, where the Secured Securities are Collateral Asset Linked Securities, the Issuer will provide Nominal Value Collateralisation in respect of the nominal value of the Collateral Asset Linked Securities and marked to market collateralisation in respect of the value of an Option into which the Issuer has entered in connection with the Collateral Asset Linked Securities, as set out in the "*Terms and Conditions of the Securities*".

Following the realisation, or enforcement, of the security with respect to a Collateral Pool if the amount paid to Holders in respect of a series of Secured Securities is less than the amount payable in respect of such Secured Securities following such realisation or enforcement, such shortfall shall be irrevocably guaranteed by BNPP. Certain series of Secured Securities may provide that on enforcement of the security interest with respect to a Collateral Pool, the Collateral Assets or the value realised for the Collateral Assets will be delivered to the Holders rather than sold and no shortfall will be calculated. Where Collateral Asset Default is an applicable Optional Additional Disruption Event, the Holders of such Secured Securities will be exposed to the credit of the Reference Collateral Asset Issuer (in the case of Collateral Asset Linked Securities) or the credit of the issuer of Collateral Assets (in respect of other Secured Securities where Collateral Asset Default is an applicable Optional Additional Disruption Event). Following the occurrence of a Collateral Asset Default, the Secured Securities will be redeemed by delivery of all or certain of the Collateral Assets and/or payment of an amount linked to the proceeds of sale of such Collateral Assets, in the manner set out in the "*Terms and Conditions of the Securities*" together with, in the case of Collateral Asset Linked Securities, an amount linked to the marked to market value of an Option into which the Issuer has entered in connection with the Secured Securities, as set out in the "*Terms and Conditions of the Securities*".

### **Guarantee**

Where the Issuer is BNPP B.V., the relevant Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law. In the event of a bail-in of BNPP B.V. but not BNPP, the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such reduction or modification resulting from the application of a bail-in of BNPP B.V. by a relevant regulator. In the event of a bail-in of BNPP but not BNPP B.V., the obligations and/or amounts owed by BNPP under the guarantee shall be reduced to reflect any such modification or reduction applied to securities issued by BNPP resulting from the application of a bail-in of BNPP by any relevant regulator.

### **Taxes and Expenses**

Holders of Securities must pay all specified taxes and expenses relating to the Securities.

The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses not previously deducted from amounts paid or Assets delivered to Holders.

Investors should carefully review the "*Taxation*" section.

### **Rating**

The rating of certain series of Securities to be issued under the Programme may be specified in the applicable Final Terms. Whether or not each credit rating applied for in relation to relevant series of Securities will be issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) ("**CRA Regulation**") or in the United Kingdom and registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") will be disclosed in the applicable Final Terms.

### **Listing and Admission to Trading**

Securities of a particular Series may be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market (the Euro MTF Market is not a regulated market pursuant to the provisions of the Markets in Financial Instruments Directive) or on such other or additional stock exchanges (other than in respect of an admission to trading on any market in the EEA which has been designated as a regulated market for the purposes of the Prospectus Regulation) as may be specified in the applicable Final Terms, and references to listing shall be construed accordingly. The applicable Final Terms will, if relevant, include information on the relevant market segment of the stock exchange on which the Securities are to be listed.

### **Selling Restrictions**

There are restrictions on the offer and sale of Securities and the distribution of offering material — see "*Offering and Sale*" below.

### **Governing Law**

The Securities, any related Guarantee and (in the case of English Law Securities only) any non-contractual obligations arising out of or in connection therewith will be governed by English, Dutch or French Law, as specified in the applicable Final Terms.

### **Approval by the Swiss Prospectus Office**

The Base Prospectus is dated as of 31 May 2023 and has been approved by SIX Exchange Regulation in its capacity as Swiss Prospectus Office as of 31 May 2023, and constitutes a base prospectus pursuant to article 45 of the FinSA for the purposes of the issuance of FinSA Securities.

### **FinSA Exempt Securities**

If specified as such in the applicable Final Terms, the Securities will be FinSA Exempt Securities.

### **Swiss Structured Products Association Swiss Derivatives Map Categorisation**

The FinSA Securities are comprised of the following categories as defined in the SSPA Swiss Derivatives Map 2023 listed below issued by the Swiss Structured Products Association (the "**SSPA**") (see <https://www.sspa.ch/en>). Investors should refer to the section entitled "*Description of the Swiss Structured Products Association Swiss Derivatives Map Categorisation*" below for a more detailed description of the product type.

The key information relating to the FinSA Securities and specific terms and conditions of the FinSA Securities as well as information regarding the public offer and admission to trading of the FinSA Securities are set out in the applicable Final Terms, which supplement the information contained in the Base Prospectus.

The Issuer undertakes to register the applicable Final Terms in respect of a Series of FinSA Securities with the Swiss Prospectus Office in accordance with the requirements of the FinSA as soon as they are in final form and in any case prior to any public offering in Switzerland or admission to trading in Switzerland of such securities.

### **Capital Protection Products**

The category of "Capital Protection Products" (SSPA Category 11) includes the following product types:

- Capital Protection Note with Participation (SSPA Category 1100)
- Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

### **Yield Enhancement Products**

The category of "Yield Enhancement Products" (SSPA Category 12) includes the following product types:

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)
- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

### **Participation Products**

The category of "Participation Products" (SSPA Category 13) includes the following product types:

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin Win Certificate (SSPA Category 1340)



**Products with Additional Credit Risk**

The category "Products with Additional Credit Risk" (SSPA Category 14) includes the following product types:

- Credit Linked Notes (SSPA Category 1400)
- Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
- Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
- Participation Certificate with Additional Credit Risk (SSPA Category 1430)

**Leverage Products**

The category of "Leverage Products" (SSPA Category 21) includes the following product types:

- Warrant (SSPA Category 2100)
- Spread Warrant (SSPA Category 2110)
- Warrant with Knock-Out (SSPA Category 2200)
- Mini-Future (SSPA Category 2210)
- Constant Leverage Certificate (SSPA Category 2300)

**Further Products**

In addition, "Actively Managed Certificates" may be issued on the terms set out in the applicable Final Terms.

## RISKS

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

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

### **Risk Factors relating to BNPP**

Risk factors relating to BNPP are set out in "Risk Factors" under Chapter 5 on pages 315 to 330 of the BNPP 2022 Universal Registration Document (in English) and page 122 of the First Amendment to the BNPP 2022 Universal Registration Document (in English) (each as defined below), which are incorporated by reference in this document. See section entitled "*Documents Incorporated by Reference*" of this Base Prospectus.

The following risk factors are identified as the main risk factors specific to BNPP:

1. A substantial increase in new provisions or a shortfall in the level of previously recorded provisions exposed to credit risk and counterparty risk could adversely affect the BNP Paribas Group's results of operations and financial condition.
2. An interruption in or a breach of the BNP Paribas Group's information systems may cause substantial losses of client or customer information, damage to the BNP Paribas Group's reputation and result in financial losses.
3. The BNP Paribas Group may incur significant losses on its trading and investment activities due to market fluctuations and volatility.
4. Adjustments to the carrying value of the BNP Paribas Group's securities and derivatives portfolios and the BNP Paribas Group's own debt could have an adverse effect on its net income and shareholders' equity.
5. The BNP Paribas Group's access to and cost of funding could be adversely affected by a resurgence of financial crises, worsening economic conditions, rating downgrades, increases in sovereign credit spreads or other factors.
6. Adverse economic and financial conditions have in the past had and may in the future have an impact on the BNP Paribas Group and the markets in which it operates.
7. Laws and regulations adopted in recent years, particularly in response to the global financial crisis, as well as new legislative proposals, may materially impact the BNP Paribas Group and the financial and economic environment in which it operates.
8. The BNP Paribas Group may incur substantial fines and other administrative and criminal penalties for non-compliance with applicable laws and regulations, and may also incur losses in related (or unrelated) litigation with private parties.

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

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

### *Dependency Risk*

BNPP B.V. is an operating company. The assets of BNPP B.V. consist of the obligations of other BNP Paribas Group entities. In respect of securities it issues, the ability of BNPP B.V. to meet its obligations under such securities depends on the receipt by it of payments under certain hedging agreements that it enters with other BNP Paribas Group entities. Consequently, a Holder of Securities issued by BNPP B.V. will, subject to the provisions of the Guarantee issued by BNPP, be exposed to the ability of BNP Paribas Group entities to perform their obligations under such hedging agreements and may suffer losses should these entities fail to satisfy their obligations.

More generally, the creditworthiness of BNPP B.V. depends on the creditworthiness of BNPP. In the case of bankruptcy proceedings of BNPP B.V. or any other similar proceedings affecting the Issuer, a Holder of securities will become a creditor of BNPP pursuant to the relevant guarantee granted by BNPP. A Holder should also refer to risk factor "*BNPP could experience an unfavourable change in circumstances, causing it to become subject to a resolution proceeding: holders of securities of BNPP could suffer losses as a result*" above for a description of the impact of resolution on the BNP Paribas Group.

### *Credit risk*

BNPP B.V. has significant concentration of credit risks, as its issuances are hedged through OTC transactions with its parent company, BNPP, and other BNP Paribas Group entities. Such credit risks amount to the total size of its balance sheet (EUR 94,564,532,735 as at 31 December 2022). Therefore, if BNPP or any other BNP Paribas Group entity fails to satisfy its obligations in respect of any such transaction, Holders of Securities issued by BNPP B.V. may suffer losses.

## **RISK FACTORS RELATING TO SECURITIES**

A number of the risks described below may be relevant to a specific Series of Securities, depending on the terms of those Securities. The effect of this compounding of risks is likely to increase the volatility of the Securities and increase the possibility that a Holder loses some or all of their investment or does not receive the anticipated return.

### **Risks relating to the Structure of the Securities**

#### *Securities Subject to Optional Redemption, Cancellation, Early Exercise by the Relevant Issuer or Other Early Redemption (including Automatic Early Redemption) or Cancellation and Consequences of Early Redemption*

An optional, other early redemption (including Automatic Early Redemption) (or cancellation) or early exercise feature is likely to limit the market value of the Securities. In the case of Securities with an optional redemption (or cancellation) feature, during any period when the relevant Issuer may elect to redeem (or cancel) the relevant Securities, the market value of those Securities generally will not rise substantially above the price at which they can be redeemed (or cancelled). This also may be true prior to any redemption (or cancellation) period. In addition, the Final Terms may provide that the relevant Securities will be redeemed (or cancelled) early in specified circumstances, such as the occurrence of an Additional Disruption Event, (as defined in Security Condition 15 (*Additional Disruption Events and Optional Additional Disruption Events*)). Optional Additional Disruption Event, (as defined in Security Condition 15 (*Additional Disruption Events and Optional Additional Disruption Events*)) and/or an Automatic Early Redemption Event (as defined in Security Condition 34.9 (*Automatic Early Redemption (Certificates)*)). Following an optional or early redemption (including Automatic Early Redemption) (or cancellation), a Holder generally would not be able to reinvest the redemption (or cancellation) proceeds (if any) at an effective interest rate as high as the interest rate on the relevant Securities being redeemed (or cancelled), and may only be able to do so at a significantly lower rate. As a consequence the Holder may lose some or all of their investment. Potential investors should consider reinvestment risk in light of

other investments available at that time. In addition, in the case of Securities with an Automatic Early Redemption or early exercise feature, the value of the Securities and the amount that the Holder receives upon an Automatic Early Redemption or an early exercise may not correlate with the value of the Underlying Reference, which may trigger such Automatic Early Redemption or early exercise.

#### *Cost of borrowing*

A Holder of Securities that are "short" (or "put") Securities should note that the price of such Securities may include a premium charged to the Holder which reflects the cost to the Issuer or its Affiliates of borrowing the Underlying Reference(s). A Holder will not receive a refund of this premium if an Automatic Early Redemption Event occurs or upon the exercise of an Issuer Call Option or a Holder Put Option, and consequently may significantly reduce the return the Holder stands to receive on its investment.

#### *Minimum trading amount may affect a Holder's ability to transfer their Securities*

If Securities have a minimum trading amount and a Holder holds fewer Securities than the specified minimum trading amount, such Holder will not be permitted to transfer its Securities prior to expiration or redemption, as applicable, without purchasing enough additional Securities to hold the minimum trading amount. The Holder may not be able to purchase additional Securities, in which case they will have to wait until redemption or exercise of the Securities to realise any value. If they are able to purchase additional Securities, this may be at a price higher than their original investment and is likely to adversely affect the overall return they achieve on their investment.

#### *Risk of leveraged exposure*

Securities including a leverage feature (such as OET Certificates, the terms of which are described in "*Annex 14 - Additional Terms and Conditions for OET Certificates*" (see "*Risks associated with Open End Certificates and OET Certificates*" below)) magnify gains and losses. If the Underlying Reference moves against expectations, a Holder risks losing a greater proportion of their investment than if they had invested in a Security that is not leveraged.

#### *Risks associated with Open End Certificates and OET Certificates*

Open End Certificates and OET Certificates do not have a pre-determined maturity and may include (i) with respect to French Law Securities, (A) an option for the Issuer to redeem each Certificate on a date determined by the relevant Issuer, in accordance with the Terms and Conditions and (B) an option for the Holder to give notice to the Issuer and upon expiry of the Notice Period, the Issuer will redeem each such Certificate on a date determined by the Issuer and (ii) with respect to English Law Securities, (A) an option for the Issuer to redeem each Certificate on a date determined by the relevant Issuer in accordance with the Terms and Conditions and/or (B) an option for the Holder to give notice to the Issuer and upon expiry of the Notice Period, the Issuer will redeem each such Certificate on a date determined by the Issuer. Investment in Open End Certificates and OET Certificates will entail additional risks compared with other Certificates, due to the fact that they do not have a prescribed tenor and the Holder may receive a lower return than expected and depending on when the Open End Certificate and OET Certificates are redeemed or bought back. Open End Certificates will be subject to the provisions set out in Security Condition 34.8 (*Open End Certificates*) and OET Certificates will be subject to the provisions set out in "*Annex 14 – Additional Terms and Conditions for OET Certificates*".

#### *Additional risks associated with Preference Share Certificates*

The following risks are applicable in respect of Preference Share Certificates issued in accordance with the provisions set out in "*Annex 13 – Additional Terms and Conditions for Preference Share Certificates*".

(a) Risks associated with the Preference Share Underlying

Each Issuer may issue Preference Share Certificates, as more fully described in the "*Annex 13 – Additional Terms and Conditions for Preference Share Certificates*". If as a result of the performance of the Preference Share Underlying, the performance of the preference shares is negative, the value of the Preference Share Certificates will be adversely affected. Purchasers of Preference Share Certificates risk losing all or a part of their investment if the value of the preference shares does not move in the anticipated direction.

(b) Risks relating to an early redemption of the Preference Share Certificates

The Issuer will redeem the Preference Share Certificate in whole at the Early Redemption Amount if, in the determination of the Calculation Agent, an illegality, force majeure, Potential Adjustment Event, Additional Disruption Event, Optional Additional Disruption Event or Extraordinary Event occurs or if the Preference Share Issuer delivers a notice to the Issuer in respect of early redemption of the preference shares. The Early Redemption Amount may be less (and in certain circumstances, significantly less) than investors' initial investment and a Holder will not benefit from any appreciation of the preference shares that may occur following such redemption. A Holder will also face this risk if the Preference Share Certificates include an auto-call feature which triggers an automatic early redemption of the Preference Share Certificates if the performance of the Preference Share Underlying satisfies certain conditions.

(c) Risks relating to the Preference Share Issuer and the Preference Shares

A Holder of Preference Share Certificates are exposed to the credit risk of the Preference Share Issuer, as Preference Share Certificates are linked to the performance of the relevant preference shares issued by the Preference Share Issuer. The Preference Share Issuer is not an operating company whose sole business activity is the issue of redeemable preference shares and does not otherwise have any cashflows. As its funds are limited, a deterioration in the creditworthiness of or any misappropriation of funds or other fraudulent action by the Preference Share Issuer (or person acting on its behalf) would have a significant adverse effect on the value of the preference shares, and thus, a significant adverse effect on the value of the Preference Share Certificates.

*Risks associated with certain Dynamic Securities*

Securities linked to a portfolio or strategy that comprises assets with a greater potential for return and consequently greater risk (such as, a hedge fund) and assets with a lower return and consequently lesser risk (such as, a zero coupon debt security issued by an issuer with a high credit rating) are described by the relevant Issuer as "**Dynamic Securities**". The impact of any rebalancing of the portfolio or strategy and any leverage features will affect the value of the portfolio or strategy and, in turn the value of the Dynamic Securities. If the portfolio or strategy does not perform as expected, the value of the Dynamic Securities and the return an investor can expect will be adversely affected.

*There are no events of default under the Securities*

The Terms and Conditions of the Securities (other than Secured Securities) do not include events of default allowing for the acceleration of the Securities if certain events occur. Accordingly, if the Issuer or the Guarantor fail to meet any obligations under the Securities, including the payment of any interest or bankruptcy proceedings are instituted, a Holder will not be able to accelerate the payment of principal. Upon a payment default, the sole remedy available to a Holder for recovery of amounts owing in respect of any payment of principal or interest on their Securities will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the Issuer or the Guarantor will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it, meaning investors could lost all or part

of their investment. As a result, the value of the Securities and/or their liquidity in the secondary market could be negatively affected.

*The terms of the Securities do not contain a negative pledge and the Issuer is entitled to incur additional debt*

There is no negative pledge in respect of the Securities and the Terms and Conditions of the Securities place no restrictions on the incurrence by the Issuer or the Guarantor (if applicable) of additional obligations that rank *pari passu* with, or senior to, the Securities. In addition, the Issuer or the Guarantor (if applicable) may pledge assets to secure other notes or debt instruments without granting an equivalent pledge or security interest and status to the Securities. An increase of the outstanding amount of such securities or other liabilities could reduce the amount (if any) recoverable by the Holder on a winding-up of the Issuer, if the amount outstanding exceeds the assets of the Issuer, the Holder could suffer a loss of their entire investment if the Issuer becomes insolvent (whether voluntarily or otherwise).

### **Risks relating to the Underlying Reference(s) and Disruption and/or Adjustment Mechanism**

#### *Risks associated with Underlying Reference Securities*

Securities issued under this Base Prospectus may be linked to the performance of one or more Underlying Reference(s) (as further described in the "Investment Considerations" section below) (such Securities, "Underlying Reference Securities"). Depending on the terms of the Underlying Reference Securities, the amount payable on redemption or exercise or in interest will be determined by reference to the value of one or more Underlying References specified in the applicable Final Terms. If an Underlying Reference does not perform as expected, this will have a material adverse impact on the amounts (if any) that a Holder will receive in respect of the Securities and may also negatively affect the value of the Securities.

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

The Securities do not represent a claim against any Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference) and a Holder will not have any right of recourse under the Securities to any such Underlying Reference (or any issuer, sponsor, manager or other connected person in respect of an Underlying Reference). The Securities are not in any way sponsored, endorsed or promoted by any issuer, sponsor, manager or other connected person in respect of an Underlying Reference and such entities have no obligation to take into account the consequences of their actions on any Holder and such consequences may have a negative impact on a Holder. Investors in Physical Delivery Securities should also refer to "Risks associated with Physical Delivery Securities" below and Security Condition 35.2 (*Physical Delivery*).

#### *Risks associated with Physical Delivery Securities*

If the Securities are Physical Delivery Securities, Holders will only obtain a direct investment in the Underlying Reference and have a right to participate in any voting, dividends, distributions or other rights of the Underlying Reference, as the case may be, upon delivery of the Entitlement. Holders of Physical Delivery Securities are exposed to the risk that the market value of the Entitlement is less than the market value of the Securities and Holders may not subsequently be able to realise any cash value from the assets comprising the Entitlement. This risk is increased if the assets comprising the Entitlement have a nexus with an emerging market (see "Risks associated with Securities with a nexus to emerging markets" below).

In the case of Physical Delivery Securities, if a Settlement Disruption Event occurs or exists on the Settlement Date or the Delivery Date, as the case may be, settlement will be postponed until the next Settlement Business Day in respect of which there is no Settlement Disruption Event. The relevant Issuer in these circumstances also has the right to pay the Disruption Cash Settlement Price (as defined below in Security Condition 5.1 (*Settlement*

*Disruption*)) in lieu of delivering the Entitlement. The Disruption Cash Settlement Price may be less than the fair market value of the Entitlement and could be less than the return that the investor had anticipated.

*The value of Underlying References may be subject to market fluctuations*

Depending on the Underlying Reference, the value of a Holder's investment in Underlying Reference Securities, may be significantly adversely affected by the negative impact of market fluctuations caused by economic and political developments, changes in interest rates and perceived trends in the prices of securities.

*Interest linked to an Underlying Reference*

In the case of Linked Interest Securities (see Security Condition 32(d) (*Interest on Linked Interest Certificates*)), where the amount of interest payable is determined by reference to the performance of an Underlying Reference or a basket of Underlying References, a Holder is subject to the following risks:

- (a) the market price of such Securities may be volatile, and so a Holder may only be able to sell their Securities in the secondary market at a loss (if they are able to sell at all);
- (b) they may receive no interest;
- (c) payment of interest may occur at a different time or in a different currency than expected, which could negatively affect the value of the Securities;
- (d) an Underlying Reference may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices and the yield may be less than other comparable investments;
- (e) if an Underlying Reference in a basket has a disproportionately greater weighting compared to other basket components or a weighting greater than one or contains some other leverage factor, the effect of changes in the value of such Underlying Reference on interest payable will be magnified and could magnify any loss of interest that a Holder would experience compared to an investment in Securities without such features; and
- (f) interest may only be payable and/or calculated in respect of certain specified days and/or periods on or during which the Underlying Reference or its value equals, exceeds and/or is less than certain specified thresholds and if such conditions are not satisfied, a Holder may not receive any interest, thus negatively affecting the Holder's overall yield.

*Risks associated with the occurrence of Additional Disruption Events and/or Optional Additional Disruption Events*

If an Additional Disruption Event occurs, or any Optional Additional Disruption Event specified in the applicable Final Terms occurs (other than in respect of a Failure to Deliver due to Illiquidity), (each as defined in Security Condition 15 (*Additional Disruption Events and Optional Additional Disruption Events*))), the Securities may be subject to adjustment (including, in the case of Share Securities linked to a Basket of Shares, adjustments to the Basket of Shares), cancellation (in the case of Warrants) or early redemption (in the case of Certificates) or the amount payable on scheduled redemption (in the case of Certificates) may be different from the amount expected to be paid at scheduled redemption. In the case of Index Securities linked to a Custom Index the occurrence of an Additional Disruption Event or Optional Redemption Event specified in the applicable Final Terms may lead to the selection of a successor Index. Any of these consequences is likely to have a material adverse effect on the value and liquidity of the Securities and/or the return a Holder can expect to receive on their investment.

*The occurrence of a Disrupted Day may have an adverse effect on the value and liquidity of the Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities*

If, in the determination of the Calculation Agent, a Market Disruption Event (as described in the Index Security Conditions, Share Conditions, ETI Security Conditions, Debt Security Conditions or Futures Security Conditions as the case may be) has occurred or the relevant exchange has not opened on a date for valuation in respect of an issue of Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities (a "**Disrupted Day**"), any consequential postponement of the valuation date, or any alternative provisions for valuation provided in any Securities in respect of an Underlying Reference (including any Underlying Reference comprising a basket), which delays the determination of the final level, value, price or amount of the index, share, ETI interest, debt instrument, future, commodity or commodity index and which could also cause a delay in the payment of any Cash Settlement Amount, may have an adverse effect on the value and liquidity of such Securities, particularly if the Redemption Date or Settlement Date of the Securities is postponed as a consequence.

*Additional risks associated with Index Securities*

Index Securities are linked to the performance of an underlying index (an "**Index**"), which may reference various asset classes including, but not limited to, equities, bonds, currency exchange rates or property price data, or could reference a combination of such asset classes. Investors in Index Securities face the risk of a broader set of circumstances that mean that the assets underlying the Index (whether referring to some or all of such asset classes) do not perform as expected compared to an investment in other types of debt securities or a direct investment in the relevant assets underlying the Index. Accordingly, the return on an investment in Index Securities could be less than an investment in other types of debt securities or a direct investment in the relevant assets underlying the Index. The terms and conditions relevant to Index Securities (other than Index Securities that are linked to the performance of a Custom Index (as defined below)) are set out in Index Security Conditions 1 to 4 and (if Futures Price Valuation is specified as applicable in the applicable Final Terms) 9 of "*Annex 1 – Additional Terms and Conditions for Index Securities*".

In the case of Index Securities that are linked to the performance of a proprietary index (a "**Custom Index**"), the components of the Custom Index may be selected by and thereafter may be subject to modification, reallocation and/or rebalancing from time to time.

Such independent third parties, including any index allocation agent, will have no regard to the interests of a Holder and any such selection, modification, reallocation and/or rebalancing could negatively affect the performance of a Custom Index and the value of the Index Securities. As the components of a Custom Index may at any time comprise assets including, but not limited to, shares, exchange traded interests and indices, investors should also refer to the risks described under "*Additional risks associated with Share Securities*", "*Additional risks associated with ETI Securities*" and "*Additional risks associated with Index Securities*", which set out the risks associated with such potential component types. The terms and conditions relevant to Index Securities that are linked to the performance of a Custom Index are set out in Index Security Conditions 5 to 8 (in the case of a Custom Index that is not an Equity Custom Index or a Commodity Custom Index), Index Security Conditions 10 to 14 (in the case of an Equity Custom Index) or Index Security Conditions 15 to 19 (in the case of a Commodity Custom Index).

*The occurrence of an Index Adjustment Event may adversely impact a Holder of Index Securities*

Following a modification to the methodology of the Index (an Index Modification), a permanent cancellation of the Index (an Index Cancellation) or if the Index Sponsor fails to calculate or publish the level of the Index on a relevant date for valuation (an Index Disruption) (each such event being an "**Index Adjustment Event**", as more fully described in Index Security Condition 3.2 (*Modification and Cessation of Calculation of an Index*)) may (except as may be limited in the case of U.S. Securities) lead to (i) changes in the calculation of the relevant value



or price (if the Calculation Agent determines such Index Adjustment Event has a material effect on the Securities), (ii) early redemption or cancellation of the Securities or (iii) in the case of Certificates, the amount payable on scheduled redemption of the Securities being different from the amount expected to be paid at scheduled redemption. Any such adjustment or cancellation or early redemption of the Index Securities may have an adverse effect on the value and liquidity of such Securities and accordingly the amount Holders can expect to receive on their investment.

*The occurrence of a Custom Index Low Closing Trigger Event or an Outstanding Securities Trigger Event may adversely impact Holders of Index Securities*

In respect of W&C Securities that are Certificates, if Custom Index Low Closing Trigger Event is specified as applicable in the applicable Final Terms, if the Closing Level of the Custom Index falls below a pre-determined barrier, the Issuer may redeem the Index Securities in accordance with the Conditions, which may have an adverse effect on the value and liquidity of such Securities and accordingly the amount Holders can expect to receive on their investment.

In respect of W&C Securities that are Certificates, if Outstanding Securities Trigger Event is specified as applicable in the applicable Final Terms in respect of the Index Securities, if the total number of Certificates then outstanding falls below a pre-determined barrier, the Issuer may redeem the Index Securities in accordance with the Conditions, which may have an adverse effect on the value and liquidity of such Securities and accordingly the amount Holders can expect to receive on their investment.

*Additional risks associated with Share Securities*

Unlike a direct investment in any Share(s), Stapled Share(s), GDR(s) and/or ADR(s) comprising the Underlying Reference(s) (together the "**Share(s)**"), an investment in Share Securities does not entitle a Holder to vote or receive dividends or distributions (unless otherwise specified in the Final Terms). Accordingly, the return on Share Securities will not be the same as a direct investment in the relevant Share(s) and a Holder could receive less than they would have done on a direct investment. The terms and conditions relevant to Share Securities are set out in "*Annex 2 – Additional Terms and Conditions for Share Securities*".

*An adjustment to Share Securities following a Potential Adjustment Event may adversely impact a Holder*

In the case of Share Securities, except as may be limited in the case of U.S. Securities, following the declaration by the Basket Company or Share Company, as the case may be (or, in the case of Stapled Shares, an issuer of each constituent share comprising the Stapled Shares), of the occurrence of any Potential Adjustment Event (as more fully described in Share Security Condition 3 (*Potential Adjustment Events*)), the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares (or the Stapled Shares, as the case may be) and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share (or the relevant Stapled Shares, as the case may be)). Such adjustment may have an adverse effect on the value and liquidity of the affected Share Securities and accordingly the amount a Holder can expect to receive on their investment.

*The occurrence of Extraordinary Events relating to Share Securities may adversely impact Holders*

An Extraordinary Event will occur upon a De-Listing, Insolvency, Merger Event, Nationalisation, Stapling, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms) or (if specified in the applicable Final Terms), Illiquidity, Listing Change or Listing Suspension in respect of a share (each as defined in Share Security Condition 4 (*Extraordinary Events*)) in relation to a Share. If an Extraordinary Event occurs,

the Calculation Agent may make adjustments to any of the terms of the Share Securities (including, in the case of Share Securities linked to a Basket of Shares, adjustments to and/or substitution of constituent shares of the Basket of Shares), the Calculation Agent may make an adjustment to any terms of the Share Securities by reference to the corresponding adjustment(s) made by the relevant exchange(s) or quotation system(s) on which options on the affected Shares are traded, or the Issuer may cancel or redeem the Share Securities in whole or (in the case of Share Securities relating to a Basket of Shares) in part in accordance with the Conditions.

An adjustment to the Share Securities may have an adverse effect on the value and liquidity of the affected Share Securities and accordingly the amount a Holder can expect to receive on their investment. If the Share Securities are early redeemed or cancelled, an investor generally would not be able to reinvest the relevant proceeds at an effective interest rate as high as the effective return on the relevant Securities being cancelled or redeemed and may only be able to do so at a significantly lower rate, and investors should consider reinvestment risk in light of other investments available at that time. Consequently the occurrence of an Extraordinary Event in relation to a Share may have an adverse effect on the value or liquidity of the Securities and accordingly the amount a Holder can expect to receive on their investment.

#### *Securities Linked to Shares traded on the China Connect Service*

In respect of Securities linked to Shares traded on the China Connect Service where "China Connect" is specified as applicable in the applicable Final Terms, if a China Connect Share Disqualification or a China Connect Service Termination (each as more fully described in Share Security Condition 4 (*Extraordinary Events*)) occurs such Securities may be subject to adjustment (including, in the case of Share Securities linked to a Basket of Shares, adjustments to the Basket of Shares) or early redemption or the amount payable on scheduled redemption may be different from the amount expected to be paid at scheduled redemption or cancellation. Furthermore, if "China Connect" is specified in the applicable Final Terms, the Conditions will include provisions dealing with (a)(i) the suspension of or limitations on routing of orders through the China Connect Service or (ii) events disrupting the ability of market participants to enter orders through the China Connect Service, where the Calculation Agent determines such disruption is material at any time during the one hour period that ends at the relevant time for valuation or (b) the unexpected early closure of the China Connect Service, in each case on a date for valuation of a Share (including any Share comprising a Basket of Shares). If the Calculation Agent determines that such circumstances exist on any relevant date for valuation, such date may be subject to postponement or alternative provisions for valuation may apply (see "*The occurrence of a Disrupted Day may have an adverse effect on the value and liquidity of the Index Securities, Share Securities, ETI Securities, Debt Securities or Futures Securities*" above). Any of these consequences is likely to have a material adverse effect on the value and liquidity of the Securities and/or the return a Holder can expect to receive on their investment.

#### *Additional risks associated with ETI Securities*

An investment in ETI Securities carries similar risks to an investment in Share Securities or Fund Securities. An exchange traded instrument (an "**ETI**") may invest using sophisticated techniques, such as leverage or short selling or in complex financial instruments such as derivatives (swaps, options, futures), securities lending transactions, repurchase or reverse repurchase agreements or foreign exchange instruments. If the investment strategy of the ETI is not successful it will have a negative impact upon the performance of the ETI, and consequently, could have a negative impact on the value of the ETI Securities and the return a Holder may receive. None of the relevant Issuer, the Guarantor (if any) or the Calculation Agent have any control over investments made by the relevant exchange traded instrument(s) and in no way guarantee the performance of an ETI. Holders of ETI Securities have no right to participate in the ETI, whether by voting or in any distributions. Accordingly, the return a Holder of ETI Securities receives could be less (and could be significantly less) than a direct investment in an ETI. This effect could be amplified if the ETI Share Provisions (as set out in ETI Security Conditions 9 to 14) are specified as not applicable in the applicable Final Terms and the value of the ETI is linked to the NAV per ETI Interest, the trading price of the ETI or the actual redemption proceeds the Hedge Provider or a hypothetical investor in the

relevant ETI(s) would receive. The terms and conditions relevant to ETI Securities are set out in "*Annex 3 – Additional Terms and Conditions for ETI Securities*".

*An adjustment to ETI Securities following a Potential Adjustment Event may adversely impact a Holder*

In the case of ETI Securities, except as may be limited in the case of U.S. Securities, following the declaration by the relevant ETI any person appointed to provide services directly or indirectly in respect of such ETI, as the case may be, of the terms of any Potential Adjustment Event (as more fully described in ETI Security Condition 3 (*Potential Adjustment Events*) or (if the ETI Share Provisions are specified as applicable in the applicable Final Terms) ETI Security Condition 11 (*Potential Adjustment Events*)), the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will make the corresponding adjustment, if any, to any terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest). Such adjustment may have an adverse effect on the value and liquidity of the affected ETI Securities, and accordingly, the amount a Holder can expect to receive on their investment.

*The Occurrence of an Extraordinary ETI Event (where ETI Share Provisions is not applicable) or Extraordinary Event (where ETI Share Provisions is applicable) may have an adverse impact on a Holder*

In the case of ETI Securities where ETI Share Provisions is specified as not applicable in the applicable Final Terms, an Extraordinary ETI Event will occur as a result of events including (a) a merger of the ETI Interests or the ETI or ETI Related Party with other ETI Interests or another entity, an entity obtaining a controlling stake in the ETI or ETI Related Party or the insolvency of the ETI or any ETI Related Party (Global Events), (b) material litigation or allegations of criminal or fraudulent activity in respect of the ETI or ETI Related Party (Litigation/Fraudulent Activity Events), (c) the ETI Related Party ceasing to act without being replaced (Change in ETI Related Parties/Key Person Events), (d) a material change to the ETI or the ETI Documents (Modification Events), (e) a change to or suspension of the calculation of the Value per ETI Interest or a breach of the Investment/AUM Level or Value per ETI Interest Trigger Percentage (Net Asset Value/Investment/AUM Level Events), (f) a change in tax law, revocation of any required licence or compulsory redemption of the ETI Interests required by a competent authority (Tax/Law/Accounting/Regulatory Events), (g) an issue affecting the hedging associated with the ETI Securities (Hedging/Impracticality/Increased Costs Events) and (h) other events such as an Extraordinary ETI Event affecting a portion of the basket of ETI Interests, a rating downgrade, issues obtaining or trading ETI Interests or changes in the way dividends are paid (Miscellaneous Events) (each as further described in ETI Security Condition 4 (*Extraordinary ETI Events*)). In the case of ETI Securities where ETI Share Provisions is specified as applicable in the applicable Final Terms, an Extraordinary Event will occur upon a Delisting, ETI Currency Change, ETI Modification, ETI Reclassification, ETI Redemption or Subscription Event, ETI Regulatory Action, ETI Reporting Event, ETI Strategy Breach, ETI Termination, Insolvency, Merger Event, Nationalisation or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension or Tender Offer (each as further described in ETI Security Condition 12 (*Extraordinary Events*)). If an Extraordinary ETI Event occurs, the Issuer may (i) require the Calculation Agent to adjust the terms of the ETI Securities to reflect such event, (ii) substitute the relevant ETI Interests, or (iii) cancel or early redeem, as the case may be, the ETI Securities. Similarly, if an Extraordinary Event occurs, (i) the Calculation Agent may make adjustments to any of the terms of the ETI Securities (including, in the case of ETI Securities linked to a Basket of ETI Interests, adjustments to and/or substitution of constituent ETI Interests of the Basket of ETI Interests), (ii) the Calculation Agent may make an adjustment to any terms of the ETI Securities by reference to the corresponding adjustment(s) made by the relevant exchange(s) or quotation system(s) on which options on the affected ETI Interests are traded or (iii) the Issuer may cancel or redeem the ETI Securities in whole or (in the case of ETI Securities linked to a Basket of ETI Interests) in part in accordance with the Conditions.

Consequently, the occurrence of an Extraordinary ETI Event or an Extraordinary Event, as the case may be, may have an adverse effect on the value or liquidity of the Securities and the amount a Holder can expect to receive on their investment.

*The occurrence of a Market Disruption Event relating to Commodity Securities may have an adverse impact on a Holder*

A Market Disruption Event (will occur if there is a disruption in respect of a commodity or a commodity index (a) to the availability of any price source, (b) to the ability to trade, (c) (other than in respect of Commodity Securities referencing Gold, Silver, Platinum or Palladium) caused by a change in composition, methodology or taxation or (d) (in respect of a commodity index only) to the price source or calculation of a commodity index component (as more fully described in Commodity Security Condition 2 (*Market Disruption*)) occurs or is continuing on a date for valuation in respect of Commodity Securities, then the Calculation Agent may make any relevant calculation in respect of the Commodity Securities using a price, level or value that it has determined in lieu of the published price), the affected Commodity or Commodity Index may be substituted by the Calculation Agent (subject to adhering to the criteria set out in the Conditions) or the Issuer will cancel or early redeem the Securities (in whole, not in part) in accordance with the Conditions. Any such adjustment or cancellation or early redemption of the Securities may have an adverse effect on the value and liquidity of such Securities and accordingly the amount a Holder can expect to receive on their investment.

*The occurrence of a Commodity Index Adjustment Event may adversely impact a Holder of Commodity Securities that reference a Commodity Index*

The occurrence of a modification to the methodology of the commodity index (a Commodity Index Modification), a permanent cancellation of the commodity index (a Commodity Index Cancellation) or if the commodity index sponsor fails to calculate or publish the level of the commodity index on a relevant date for valuation (a Commodity Index Disruption) (each being a "**Commodity Index Adjustment Event**", as more fully described in Commodity Security Condition 4(b) (*Modification and Cessation of Calculation of a Commodity Index*)) may lead to (i) the Calculation Agent determining the Relevant Price using, in lieu of a published level, the Commodity Fallback Value (if the Calculation Agent determines such Commodity Index Adjustment Event has a material effect on the Securities) or (ii) cancellation or early redemption of the Securities. Any such adjustment or cancellation or early redemption of the Commodity Securities and accordingly the amount a Holder can expect to receive on their investment.

*Additional risks associated with Commodity Securities referencing a proprietary commodity index*

If the Commodity Securities reference the performance of a proprietary commodity index, the operational rules of the commodity index (which may not be publicly available) will affect how the level of the commodity index is determined in the event of a disruption. A delay in the publication of the commodity index could adversely affect the commodity index and consequently, the value of the Commodity Securities. The terms and conditions relevant to Commodity Securities are set out in "*Annex 5 – Additional Terms and Conditions for Commodity Securities*".

*Additional risks associated with Currency Securities*

Fluctuations in exchange rates are affected by complex political and economic factors, including governmental action to fix or support the value of a currency, regardless of other market forces. If the rate of issuance of exchange rate instruments (such as warrants, securities or options relating to particular currencies or currency indices) increases, the value of Currency Securities in the secondary market will decline. A Holder of Currency Securities risk losing some or all of their investment if exchange rates of the relevant currency (or basket of currencies) do not move in the direction they had anticipated. Additionally, if Currency Securities are settled in a currency other than the Holder's home currency, the negative effects of exchange rate fluctuations will be greater

(see also "Exchange control risks" below). The terms and conditions relevant to Currency Securities are set out in "Annex 7 – Additional Terms and Conditions for Currency Securities".

*The occurrence of a Disruption Event relating to Currency Securities may have an adverse impact on Holders*

A Disruption Event will occur in respect of the base currency or any subject currency if (i) there is a disruption to the source of the exchange rate, (ii) (unless Illiquidity Disruption is specified as not applicable in the applicable Final Terms) it is not possible to obtain firm quotes for such currency, (iii) the currency is split into more than one currency exchange rate, or (iv) circumstances similar to (i), (ii) (if applicable) or (iii) arise (all as more fully described in Currency Security Condition 2 (*Disruption Events*)). Upon the occurrence of a Disruption Event in respect of a date for valuation, the following consequences may apply:

- (a) the Calculation Agent may postpone the relevant date for valuation until the Disruption Event is no longer subsisting, up to a maximum number of days specified in the applicable Final Terms (or if not specified five Scheduled Trading Days), following which the Calculation Agent may determine a level for the subject currency as of the last such Scheduled Trading Day;
- (b) the Issuer may cancel or redeem, as the case may be, the Currency Securities in accordance with the Conditions; or
- (c) the Calculation Agent may postpone any payment date until a Disruption Event is no longer subsisting.

Any such adjustment or early redemption of the Currency Securities may have an adverse effect on the value and liquidity of such Securities and accordingly the amount Holders can expect to receive on their investment.

*Risks associated with Dual Currency Certificates*

The Issuers may issue Certificates where the Cash Settlement Amount and/or Interest Amount or Principal Amount (see Currency Security Condition 7 (*Settlement Currency*)) may be payable in either the Base Currency or the Subject Currency depending on the performance of a specified exchange rate ("**Dual Currency Certificates**"). The Settlement Currency will be determined based upon how the rate of exchange to convert one unit of the Base Currency into the Subject Currency on the relevant Dual Currency Determination Date performs compared to the initial exchange rate specified in the applicable Final Terms. The risks associated with Dual Currency Certificates are similar to those associated with Currency Securities (described in "*Additional risks associated with Currency Securities*" above) and the risks associated with the Settlement Currency (described in "*Exchange control risks*" below). In addition, investors will not benefit from favourable changes in exchange rates during the term of the Dual Currency Certificates where only the rate of exchange on the relevant Dual Currency Determination Date affects the Settlement Currency and as a consequence the market price of such Certificates may be volatile.

*Additional risks associated with Fund Securities*

The value of underlying fund shares or units or the level of an underlying fund index in respect of Fund Securities will be affected by the investment strategy of the relevant fund. The investment strategy can be opaque and may not be publicly available. In addition, funds could be illiquid and/or unregulated. If the investment strategy does not perform as expected, there are limited methods by which direct investments in fund shares or units can be exited. The value of the fund shares or units or the level of a fund index is also exposed to the performance of various fund service providers, in particular, the investment adviser. Taking these circumstances into account, compared to other types of investment, there is a greater risk associated with an investment in Fund Securities that the value of the Securities may be adversely affected (and could fall to zero) and the return an investor can expect to receive may be less (and could be significantly less) than expected. The terms and conditions relevant to Fund Securities are set out in "Annex 8 – Additional Terms and Conditions for Fund Securities".

*The occurrence of an Extraordinary Fund Event may have an adverse impact on a Holder*

An Extraordinary Fund Event will occur as a result of events including (a) a merger of the Fund or Fund Service Provider another entity, an entity obtaining a controlling stake in the Fund or Fund Service Provider or the insolvency of the Fund or any Fund Service Provider (Global Events), (b) material litigation or allegations of criminal or fraudulent activity in respect of the Fund or Fund Service Provider (Litigation/Fraudulent Activity Events), (c) the Fund Service Provider or its key personnel ceasing to act and not being replaced (Fund Service Provider/Key Person Events), (d) a material change to the Fund or the Fund Documents (Modification Events), (e) a change to or suspension of the calculation of the NAV per Fund Share or a breach of the AUM Level, NAV Trigger Percentage or Volatility Trigger Percentage (NAV per Fund Share/AUM Level Events), (f) the failure of the Fund or the Fund Service Provider to provide required information (Reporting Events), (g) a change in tax law, revocation of any required licence or compulsory redemption of the fund shares required by a competent authority (Tax/Law/Accounting/Regulatory Events), (h) an issue affecting the hedging associated with the Fund Securities (Hedging/Impracticality/Increased Costs Events), (i) a restriction or limitation on subscriptions or redemptions of any fund shares (Dealing Events) and (j) other events such as an Extraordinary Fund Event affecting a portion of the basket or Fund Index components, an issue with any rebate agreements, segregation of Fund portfolios, security granted by the Fund or any Fund Service Provider or a rating downgrade (Miscellaneous Events) (all as further described in Fund Security Condition 2 (*Extraordinary Fund Events*)). If an Extraordinary Fund Event occurs, the Issuer may, (i) require the Calculation Agent to adjust the terms of the Fund Securities to reflect such event, (ii) substitute the relevant Fund Shares, or (iii) cancel or early redeem, as the case may be, the Fund Securities in accordance with the Conditions. Consequently, the occurrence of an Extraordinary Fund Event may have an adverse effect on the value or liquidity of the Securities and the amount a Holder can expect to receive on their investment.

*Date for redemption or settlement may be postponed if Hedge Provider does not receive redemption proceeds from Fund Shares*

In the event that redemption proceeds in respect of the underlying Fund Shares are not received by the Hedge Provider on or prior to the scheduled date for redemption or settlement, as the case may be, for example, if redemption is delayed or suspended by the Fund, such redemption or settlement date may be postponed for a period of up to two calendar years (or such other period as may be specified in the applicable Final Terms) in accordance with Fund Security Condition 5 (*Settlement Date/Redemption Date/Termination Date Extension*) and no additional amount shall be payable as a result of such delay. Such delay could have a significant adverse impact on the amount that the Holder would have otherwise received had such date for redemption or settlement not been postponed.

*Additional risks associated with Futures Securities or Index Securities or Debt Securities where Futures Price Valuation is specified as applicable.*

If Futures Price Valuation is specified as applicable in the applicable Final Terms in respect of Index Securities or Debt Securities, the value of the Securities will be dependent on the performance of a futures or options contract relating to (i) an index (in the case of Index Securities) (see Index Security Condition 9 (*Futures Price Valuation*)) or (ii) a synthetic debt instrument (in the case of Debt Securities) (see Debt Security Condition 9 (*Futures Price Valuation*)). If the Securities are specified in the applicable Final Terms as being Futures Securities, the value of the Securities will be dependent on the performance of an underlying futures contract which will be identified in the applicable Final Terms by reference to (a) the underlying asset(s) or basis (or bases) of reference to which it relates, (b) the contract size, (c) the delivery or expiry date and (d) the futures exchange on which such contract is traded (see "Annex 10 – Additional Terms and Conditions for Futures Securities"). If such underlying futures or options contract does not perform as expected, an investor in such types of Securities may receive a lower return (and could receive a significantly lower return) than anticipated.

The performance of futures and options contracts can be affected by, among other things, the liquidity of the futures or options exchange and events beyond the control of the futures or options exchange. There may be significant differences between the value of spot markets and the futures or options markets for the underlying index, synthetic debt instrument and/or other type of asset or basis that the futures or options contract may reference. Accordingly, an investment in Securities referencing such futures contracts may perform worse than a comparable investment in other types of Securities, including Index Securities or Debt Securities, that do not reference a futures or options contract or even a direct investment in the relevant underlying or index, synthetic debt instrument or any other type of asset or basis that the futures or options contract may reference.

#### *Additional risks associated with Rolling Futures Contract Securities*

In the case of Index Securities or Debt Securities (in each case, in respect of which Futures Price Valuation is specified as applying in the applicable Final Terms), Commodity Securities or Futures Securities in respect of which the applicable Final Terms specify that such Securities are Rolling Futures Contract Securities, the terms of the Securities contemplate that the underlying futures contract will roll to maintain ongoing exposure to such underlying futures contract throughout the term of the Securities. The value of the Securities and an investor's expected return on the Securities will depend on the performance of the futures market. If the market is in backwardation (where the price of the near-dated futures contract is greater than the longer-dated futures contract), any loss in value that the Holder experiences in respect of Securities will be increased, as the Holder's synthetic exposure to the longer-dated futures contract is greater. However, if the market is in contango (where the price of the near-dated futures contract is less than the longer-dated futures contract), any gain in value that the Holder experiences in respect of the Securities will be reduced, as the Holder's synthetic exposure to the longer-dated futures contract is lower. The relevant provisions for Rolling Futures Contract Securities will depend on the relevant Underlying Reference and are more fully described in Index Security Condition 9.2 (*Rolling Futures Contract Securities*), Debt Security Condition 7 (*Rolling Futures Contract Securities*), Commodity Security Condition 6 (*Rolling Futures Contract Securities*) or Futures Security Condition 5 (*Rolling Futures Contract Securities*), as applicable.

Futures contracts will roll on a specified date (the "**Futures Rollover Date**"). At each Futures Rollover Date there may be expenses incurred in replacing the futures contract which may have an adverse effect on the return on the Securities. Investors should be aware that in respect of Rolling Futures Contract Securities, the price difference between the futures contracts involved on each Futures Rollover Date may have a negative effect on the value of the securities and in the long term be higher than the positive performance of the underlying and result in a total loss of a Holder's investment in the Securities. The effect of this will be greater the longer the term of a Holder's investment in Rolling Futures Contract Securities.

#### *Additional risks associated with Listed Option Securities*

An investment in Listed Option Securities will entail significant risks not associated with an investment in a conventional debt security. On redemption or exercise, as the case may be, of Listed Option Securities, a Holder will receive an amount (if any) determined by reference to the value of the listed option contract or basket of listed option contracts. Accordingly, the return on Listed Option Securities will not be the same as a direct investment in the relevant listed option contract, and could be less than a direct investment. The terms and conditions relevant to Listed Option Securities are set out in "*Annex 15 – Additional Terms and Conditions for Listed Option Securities*".

#### *The occurrence of a Non-Availability of a Future Price or a Non-Commencement or Discontinuance of a Future in respect of Futures Securities may have an adverse impact on Holders*

A Non-Availability of a Future Price (as defined in Futures Security Condition 1 (*Definitions*)) and as further described in Futures Security Condition 4 (*Non-Availability of a Future Price and Non-Commencement or*

*Discontinuance of a Future*)) will occur if there is no Official Settlement Price of the relevant futures contract, subject to the occurrence of a Non-Commencement or Discontinuance of a Future. A Non-Commencement or Discontinuance of a Future (also defined in Futures Security Condition 1 (*Definitions*)) and as further described in Futures Security Condition 4 (*Non-Availability of a Future Price and Non-Commencement or Discontinuance of a Future*) and in the case of Rolling Futures Contract Securities, Futures Security Condition 5 (Rolling Futures Contract Securities)) will occur if there is no Official Settlement Price of the relevant futures contract as a result of the fact that trading in such futures contract never commences or is permanently discontinued. Upon the occurrence of a Non-Availability of a Future Price, the Calculation Agent may determine the Official Settlement Price using its good faith estimate of the daily or final (as applicable) settlement price of such futures contract. Upon (i) the occurrence of a Non-Availability of a Future Price on any relevant date that is the delivery or expiry date of the relevant futures contract or (ii) a Non-Commencement or Discontinuance of a Future, the Calculation Agent may substitute the futures contract for a substitute futures contract (if applicable) or the Issuer may cancel or redeem, as the case may be, the Futures Securities in accordance with the Conditions, provided that, if the Securities are Rolling Futures Contract Securities, and a Non-Commencement or Discontinuance of a Future occurs on a Futures Rollover Date pursuant to which it is impossible or materially impracticable for the Calculation Agent to select a Future and/or hedge the Issuer's obligations in respect of the Securities at such time, the Issuer may cancel or redeem, as the case may be, the Futures Securities in accordance with the Conditions.

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

##### *General*

The Issuers may issue Certificates or Warrants where the amount payable is dependent upon whether certain events ("**Credit Events**") have occurred in respect of one or more Reference Entities and, if so, on the value of certain specified assets of such Reference Entity/Entities or (in the case of Certificates only) where, if such events have occurred, such Issuer's obligation is to deliver certain specified assets.

##### *Volatility*

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

##### *Correlated Credit Risks*

In purchasing Credit Securities, investors assume credit exposure to both the specified Reference Entity or Reference Entities and the Issuer (and the Guarantor, if applicable) of the Credit Securities. The credit risk to investors may further be increased if the specified Reference Entity or Reference Entities are concentrated in the same industry sector or geographic area as the Issuer (or the Guarantor, if applicable). In the case of Credit Securities linked to more than one Reference Entity, the risks of default of such Reference Entities may be highly correlated.

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

##### *Holders are exposed to risk on Reference Entities*

The holders of Credit Securities will be exposed to the credit risk of one or more Reference Entities, which exposure shall be to the full extent of their investment in such Credit Securities. Upon the occurrence of any of the default events comprising a Credit Event with respect to any Reference Entity, the Holders may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference



Entity. However, the holding of a Credit Security is unlikely to lead to outcomes which exactly reflect the impact of investing in an obligation of a Reference Entity, and losses could be considerably greater than would be suffered by a direct investor in the obligations of a Reference Entity and/or could arise for reasons unrelated to such Reference Entity. Holders should also note that a Credit Event may occur even if the obligations of a Reference Entity are unenforceable or their performance is prohibited by any applicable law or exchange controls.

Where Cash Settlement or Auction Settlement applies, the occurrence of a Credit Event in relation to any Reference Entity from time to time may result in a redemption of the Certificates in a reduced redemption amount or at zero, and, (if applicable) in a reduction of the amount on which interest is calculated. Where Physical Settlement applies, the occurrence of a Credit Event may result in the redemption of the Certificates based on the valuation (or by delivery) of certain direct or indirect obligations of the affected Reference Entity, which obligations are likely to have a market value which is substantially less than their par amount.

The holders of Warrants are exposed to the risk that an Event Determination Date does not occur during the term of the Warrants, in which case, the Warrants may expire without payment.

Investors in the Securities are accordingly exposed, as to the redemption amount, their initial investment and interest (if applicable), to the credit risk of the Reference Entity. The maximum loss to an investor in the Securities is 100 per cent. of their initial investment, together with (if applicable) any interest amounts.

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

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

#### *Increased credit risks associated with Nth-to-Default Credit Certificates*

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

#### *Credit risk may be increased where Reference Entities are concentrated in a particular Sector or region*

Where the Certificates are Nth-to-Default Credit Certificates or Linear Basket Credit Certificates, the credit risk to investors in the Certificates may be increased, amongst other things, as a result of the concentration of Reference Entities in a particular industry sector or geographic area, or the exposure of the Reference Entities to similar financial or other risks as other Reference Entities.

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

Each of the Issuer and the Calculation Agent will exercise its rights under the terms of the Securities, including in particular the right to designate a Credit Event and the right to select obligations of the affected Reference Entity for valuation or in respect of the Certificates, delivery, in its own interests and those of its affiliates, and not in the

interests of investors in the Securities. The exercise of such rights in such manner, for example by the selection of the eligible obligations of the Reference Entity having (i) in the case of Certificates, the lowest possible market value for valuation or delivery, as applicable, may result in an increased credit loss for holders of the Certificates; or (ii) in the case of Warrants, the highest possible market value for valuation in respect of Warrants, may result in an lower amount payable to the holder of the Warrants. The exercise of such discretion by the Issuer or Calculation Agent could adversely affect (i) the value of the amount in cash, if any, which will be paid in respect of any Securities on the applicable redemption date or expiration date, if any, or (ii) in the case of Certificates, the market value of the portfolio of obligations the relevant Issuer will Deliver.

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

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

Actions of Reference Entities (for example, merger or demerger or the repayment or transfer of indebtedness) may adversely affect the value of the Securities. Such actions may include, without limitation, a failure to make payment in respect of outstanding indebtedness, which failure arises at the request of or by agreement with a third party. Holders of the Securities should be aware that the Reference Entities to which the value of the Securities is exposed, and the terms of such exposure, may change over the term of the Securities.

*Payments in the Credit Securities may be deferred or suspended*

In certain circumstances, for example where (a) a Credit Event has occurred and the related credit loss has not been determined as at the relevant date for payment, (b) where a potential Credit Event exists as at the Redemption Date of the Certificates or as at the Expiration Date of the Warrants, or (c) pending a resolution of a Credit Derivatives Determinations Committee, payment of the redemption amount or settlement amount of the Securities and/or interest on the Certificates may be deferred for a material period in whole or part without compensation to the holders of the Certificates.

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

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

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

Where the Credit Securities are redeemed following the occurrence of a Credit Event by reference to an auction sponsored by ISDA, the relevant Issuer or its affiliates may act as a participating bidder in any such auction and,

in such capacity, may take certain actions which may influence the Auction Final Price including (without limitation) submitting bids, offers and physical settlement requests with respect to the obligations of the Reference Entity. If the relevant Issuer or its affiliates participate in an Auction, then they will do so without regard to the interests of Holders, and such participation may have a material adverse effect on the outcome of the relevant Auction and/or on the Credit Securities. Holders will have no right to submit bids and/or offers in an Auction.

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

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

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

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

*"Cheapest-to-Deliver" risk for Certificates and conversely for Warrants*

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

Conversely, the Issuer as seller of protection in respect of the Warrants has discretion to choose the portfolio of obligations to be valued following a Credit Event in respect of a Reference Entity, and it is likely that the portfolio of obligations selected will be obligations of the Reference Entity with the highest market value that are permitted to be selected pursuant to the terms of the Warrants. This could result in a higher recovery value and hence a lower settlement amount for investors in the Warrants.

*Illegality, impossibility or impracticability of physical settlement*

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

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

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

*Risks may be compounded*

Various risks relating to the Securities may be correlated or compounded and such correlation and/or compounding may result in increased volatility in the value of the Securities and/or in increased losses for holders of the Securities.

*The Issuer is not obliged to suffer any loss as a result of a Credit Event*

Where the Securities are Single Reference Entity Credit Certificates, Nth-to-Default Credit Certificates or Linear Basket Credit Certificates, credit losses will be calculated for the purposes of the Certificates irrespective of whether the relevant Issuer or its affiliates has suffered an actual loss in relation to the Reference Entity or any obligations thereof. The relevant Issuer is not obliged to account for any recovery which it may subsequently make in relation to such Reference Entity or its obligations.

*The Securities do not represent an interest in obligations of Reference Entities*

The Securities do not constitute an acquisition by the holders of the Securities of any interest in any obligation of a Reference Entity and the Holders will not have any voting or other rights in relation to such obligation. The relevant Issuer does not grant any security interest over any such obligation.

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

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

*Historical performance may not predict future performance*

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

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

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

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

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

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

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

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

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

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

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

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

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

Determinations Committee and, to the extent provided for in the Securities, will be subject to the determinations made by such selected institutions in accordance with the Rules.

Holders may have no recourse against either the institutions serving on a Credit Derivatives Determinations Committee or the external reviewers. Institutions serving on a Credit Derivatives Determinations Committee and the external reviewers, among others, disclaim any duty of care or liability arising in connection with the performance of duties or the provision of advice under the Rules, except in the case of gross negligence, fraud or wilful misconduct. Furthermore, the institutions on a Credit Derivatives Determinations Committee do not owe any duty to the Holders and the Holders will be prevented from pursuing claims with respect to actions taken by such institutions under the Rules.

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

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

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

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

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

#### *Credit Warrants*

Credit Warrants are Securities in respect of which the relevant Issuer has effectively sold protection on one or more Reference Entities to the Holders and payments on such Warrants will depend on the occurrence of a Credit Event with respect to such Reference Entities.

Any deterioration in the creditworthiness of a Reference Entity will increase the likelihood of a Credit Warrant being capable of being exercised. However, any improvement in the creditworthiness of a Reference Entity may decrease the likelihood of a Credit Warrant being exercised and as a result such improvements may adversely affect the value of such Warrant.

In relation to any Credit Warrants, where the Credit Derivatives Determinations Committee determines that a Restructuring Credit Event has occurred in relation to a Reference Entity and the Calculation Agent determines that an Auction will be or has been held in relation to Deliverable Obligations which are eligible as Valuation

Obligations under the terms of the Warrants, the Warrants will be exercised by delivery of a Credit Event Notice by the Calculation Agent (without notice from the Holder as buyer of protection). This may result in a lower return on the Warrants than if such Warrants had not been automatically exercised in such circumstances. Conversely, where no such Deliverable Obligations exist, the Warrants will not be exercised and will expire worthless.

#### *Risks relating to deposits*

Certain credit linked Certificates may be linked to the creditworthiness of a financial institution at which the Hedge Counterparty has made a deposit. Where a Credit Event occurs with respect to the relevant financial institution (which will be the Reference Entity in respect of the Securities) and the Conditions to Settlement are satisfied, the amount which is paid to a Holder will depend on both the fair market value of the Security (as determined by the Calculation Agent without taking into account the credit linked provisions of the Security) and either the proportion of the deposit which is recovered from the Reference Entity or, alternatively, if the Hedge Counterparty transfers its rights in respect of the deposit to a third party (which may be an affiliate of the Hedge Counterparty), the proportion of the deposit represented by the amount which is received from a third party in respect of such transfer, in each case less costs involved in unwinding related hedging transactions or hedging positions and as adjusted to reflect the proportion of the Securities held by an entity in the BNP Paribas Group.

### **Risks Relating to the Market**

#### *Certain factors affecting the value and trading price of Securities*

The trading price of the Securities is affected by a number of factors including, but not limited to, the price or level of the relevant Underlying Reference(s), the time to expiration or redemption of the Securities and the actual or implied volatility associated with the Underlying Reference(s) and the correlation risk of the relevant Underlying Reference(s).

The possibility that the value and trading price of the Securities will fluctuate (either positively or negatively) depends on a number of factors, which investors should consider carefully before purchasing, exercising (in the case of Warrants) or selling Securities, including:

- (a) the trading price of the Securities;
- (b) depending on the applicable payout or coupon or premium amount (if applicable), movements in the value and/or volatility of the Underlying Reference may cause the value of the Securities to either rise or fall;
- (c) depending on the applicable payout or coupon or premium amount (if applicable), the value of the Securities may fluctuate as the time remaining until the scheduled redemption date decreases;
- (d) in the case of Cash Settled Securities the probable range of Cash Settlement Amounts;
- (e) depending on the applicable payout or coupon or premium amount (if applicable), movements in interest rates and/or dividends (if applicable) may cause the theoretical value of the Securities to either rise or fall;
- (f) any change(s) and/or fluctuation(s) in currency exchange rates;
- (g) the depth of the market or liquidity of the Underlying Reference as specified in the applicable Final Terms;
- (h) any limitation or restriction on the liquidity of the Securities in the secondary market; and

- (i) any related transaction costs.

Such factors may mean that the trading price of the Securities is below the Cash Settlement Amount or the value of the Entitlement, as applicable and accordingly, a Holder may receive an amount or an asset with a value significantly lower than the amount that they invested to purchase the Securities.

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

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

#### *Possible illiquidity of the Securities in the secondary market*

For certain issues of Securities, BNP Paribas Arbitrage S.N.C. is required or intends to act as market-maker, in which case it will endeavour to maintain a secondary market throughout the life of the Securities as long as normal market conditions prevail. However, during certain periods, it may be difficult, impractical or impossible for BNP Paribas Arbitrage S.N.C. to quote bid and offer prices, and during such periods, it may be difficult, impracticable or impossible to buy or sell these Securities. Events constituting a force majeure, adverse market conditions, volatile prices or large price fluctuations, a large market place being closed or restricted or experiencing technical problems including, but not limited to, an IT system failure or network disruption could affect BNP Paribas Arbitrage S.N.C.'s ability to maintain a secondary market or even prevent BNP Paribas Arbitrage S.N.C. from maintaining a secondary market until such a time as normal conditions resume.

Each Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private offer/treaty. Any Manager may also be a market-maker for an issue of Securities but it is not obliged to and may cease to do so at any time without prior notification to Holders. Even if a Manager is a market-maker for an issue of Securities (including where BNP Paribas Arbitrage S.N.C. acts as market-maker), the secondary market for such Securities may be limited or may not exist at all.

The only means through which a Holder can realise value from their Securities prior to its Redemption Date or Exercise Date is to sell them at the market price in an available secondary market, which may be a lower price than a Holder's original investment. If there is no or a limited secondary market for the Securities and the Holder is unable to sell its Securities they will have to wait until redemption or exercise of the Securities to realise any value.

Securities sold in the United States or to U.S. persons may be subject to transfer restrictions, which will also limit a Holder's ability to sell their Securities prior to redemption or exercise.

#### *Effect of credit rating reduction*

The value of the Securities is expected to be affected, in part, by investors' general appraisal of the creditworthiness of the relevant Issuer and, if applicable, the Guarantor. Such perceptions are generally influenced by the ratings attributed to the outstanding securities of BNPP B.V. or BNPP by standard statistical rating services, such as Moody's Investors Service Ltd. and Moody's France SAS ("**Moody's**"), S&P Global Ratings Europe Limited ("**Standard & Poor's**") and Fitch Ratings Ireland Limited ("**Fitch**"). A reduction in the rating, if any, attributed to outstanding debt securities of BNPP B.V. or BNPP by one of these rating agencies could result in a reduction in the trading value of the Securities.



### *Risks associated with Securities with a nexus to emerging markets*

Where the value and rate of return an investor can expect to receive in respect of the Securities depends on the performance of one or more Underlying References issued by issuers located in, or subject to regulation in, emerging or developing countries, denominated in the currency of, or are traded in, emerging or developing countries or where the Securities are denominated in currencies of emerging or developing countries, a Holder is exposed to greater risks associated with political and economic uncertainty, adverse governmental policies, restrictions on foreign investment and currency convertibility, currency exchange rate fluctuations, possible lower levels of disclosure and regulation, and uncertainties as to the status, interpretation and application of laws including, but not limited to, those relating to expropriation, nationalisation and confiscation. A Holder of Securities with such a nexus to emerging or developing countries is exposed to the risk that such Securities may be less liquid and the prices of such Securities more volatile, thus increasing the risk that such Holder may experience a loss on their investment. In addition, settlement of trades in such markets may be slower and more likely to be subject to failure than in markets in developed countries.

Investors in such Securities should also be aware that the probability of the occurrence of a Hedging Disruption (or other Adjustment Event under the relevant terms of the Securities as set out further in the Security Conditions) and consequently loss of investment or profit by an investor may be higher for certain developing or emerging markets.

### *Exchange control risks*

There is a risk that authorities with jurisdiction over the Settlement Currency (as specified in the applicable Final Terms) and/or the currency in which the Underlying Reference is denominated, such as government and monetary authorities, may impose or modify (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability to transfer of funds in and out of the relevant country. Such exchange controls, if imposed would have a negative impact on the amount a Holder is able to realise from Securities denominated in an affected Settlement Currency or referencing an affected Underlying Reference.

## **Legal Risks**

### *Meetings of Holders*

The Terms and Conditions of the Securities contain provisions for calling meetings (including by way of conference call or by use of a video conference platform) of Holders to consider matters affecting their interests generally (see Security Condition 9 (*Meetings of Holders*)). These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting, Holders who voted in a manner contrary to the majority. General meetings or written consultations may deliberate on any proposal relating to the modification of the conditions of the Securities and subject to the limitations provided by French law. Only holders of French Law Securities will, in certain circumstances, be grouped for the defence of their common interests in a separate legal entity called "*Masse*" (as defined in Security Condition 9.4(b) (*Meetings of Holders – French Law Securities*)). If the applicable Final Terms specify "No *Masse*", Holders will not be grouped in a *masse* having legal personality governed by the provisions of the French *Code de commerce* and will not be represented by a representative of the *masse*. While it is not possible to assess the likelihood that the Conditions will need to be amended during the term of the Securities by a meeting of the Holders, if a decision is adopted by a majority of Holders and such modifications impair or limit the rights of Holders, this may negatively affect the market value of the Securities, although the probability of such a decision being taken by Holders is considered to be low.

*The Issuer or the Guarantor (if applicable) may be substituted by another entity*

The conditions of the Securities provide (except in the case of U.S. Securities) that the Issuer may, without the consent of the Holders, agree to the substitution of another company as the principal obligor under any Securities in place of the Issuer, subject to the conditions set out in Security Condition 13.1 (*Substitution of the Issuer or the Guarantor*). In particular, where the substitute is not BNPP, BNPP will guarantee the performance of the substitute's obligations under the Securities.

The conditions of the Securities also provide that where the Issuer is BNPP B.V., BNPP may, without the consent of the Holders, agree to the substitution of another company as the guarantor in respect of any Securities, subject to the conditions set out in Security Condition 13.2 (*Substitution of the Issuer or the Guarantor*). In particular, the creditworthiness of the substitute guarantor must be at least equal to that of BNPP, as determined by the Calculation Agent in its sole and absolute discretion by reference to, *inter alia*, the long term senior debt ratings (if any) assigned by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. and/or Moody's and/or Fitch to the substitute guarantor or, as the case may be, to BNPP.

The Issuer will give Holders notice of such substitution in accordance with General Condition 10 (*Notices*).

#### *Potential Conflicts of Interest*

BNPP, BNPP B.V. and/or any of their respective Affiliates or agents may engage in activities or arrangements in a range of capacities that may result in conflicts of interest between their own financial interests and those of any Holder, for example, by:

- (i) engaging in trading activities (including hedging activities) relating to the Underlying Reference or Reference Entity and other instruments or derivative products based on or relating to the Underlying Reference or Reference Entity of any Securities for their proprietary accounts or for other accounts under their management;
- (ii) acting in a number of different capacities in relation to any Underlying Reference in relation to the securities (including, but not limited to an underlying Index (including a Custom Index), including, but not limited to, as issuer of the constituents of the Index (or Custom Index, as the case may be), index sponsor or calculation agent);
- (iii) engaging in business, such as investing in, extending loans to, providing advisory services to, entering into financing or derivative transactions with a company that has issued shares or a debt instrument, a fund that has issued fund shares or units, an exchange traded instrument comprising the relevant Underlying Reference or a Reference Entity;
- (iv) receiving a fee for performing any services or entering into any transactions described above;
- (v) publishing research reports relating to any Underlying Reference or Reference Entity, which express views that are inconsistent with purchasing or holding the Securities; and
- (vi) making determinations regarding the occurrence of various events in respect of the Securities and the applicable consequences in its role as Calculation Agent or Issuer, as the case may be, of the Securities.

Any of the conflicts of interest described above could have a material adverse effect on the value of the Securities and the return a Holder can expect to receive on their Securities, as none of BNPP, BNPP B.V. and/or any of their respective Affiliates or agents, acting in any capacity, is required to have regard to the interests of a Holder. Investors should also refer to the description of the role of the Calculation Agent in the "*Investment Considerations*" section below.

Following the intragroup merger of BNP Paribas Securities Services SCA ("**BP2S**") and BNPP, BNPP performs various agency roles in place of BP2S (including its branches in various jurisdictions) under the Programme. As a result, potential conflicts of interest may arise between these roles. Such potential conflicts of interests are mitigated using different management teams and information barriers within BNPP, but the possibility of conflicts of interest arising cannot be completely eliminated.

#### *Securities are not Collective Investment Schemes*

The Securities do not constitute collective investment schemes as such term is used in CISA. Accordingly, the Securities are not subject to supervision by FINMA and Holders of the Securities do not benefit from any protection under CISA. As such, investors are fully exposed to the Issuer's and the Guarantor's (if applicable) insolvency risk.

#### *Swiss Tax Aspects*

Payments or credits received by a Holder of the Securities, which are considered from a Swiss tax perspective as dividends or interest are generally subject to income tax. Gains realised upon a sale or other disposition may, depending on the qualification of the Securities and the Holder's individual circumstances, be subject to Swiss income tax. The tax impact on Holders of Securities in Switzerland is described generally under the section entitled "Swiss Taxation"; however, the tax impact on an individual Holder of Securities may differ from the situation described for Holders generally. Investors should seek their own tax advice as to the tax impact of an investment in the Securities.

#### *Change of law*

The Terms and Conditions of English Law Securities are based on English law in effect as at the date of this Base Prospectus. The Terms and Conditions of French Law Securities are based on French law in effect as at the date of this Base Prospectus. The possible impact of any judicial decision or change to an administrative practice or change to English law or French law, as applicable, after the date of this Base Prospectus is unknown and any such change could materially adversely impact the value of any Securities affected by it.

#### *Termination of Securities in the event of illegality or impracticability*

If the Issuer determines that the performance of its obligations under the Securities has become illegal, impossible or impracticable in whole or in part for any reason, the Issuer may cancel, in the case of Warrants, or redeem, in the case of Certificates, the Securities by paying to each Holder the fair market value of such Securities less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements. Such cancellation or redemption may result in an investor losing some or all of their investment in the Securities.

#### *French Insolvency Law*

BNP Paribas, as Issuer or Guarantor, is a *société anonyme* with its corporate seat in France. In the event that BNP Paribas becomes insolvent, insolvency proceedings will generally be governed by the insolvency laws of France to the extent that, where applicable, the "*centre of main interests*" (as construed under Regulation (EU) 2015/848, as amended) of BNP Paribas is located in France.

Directive (EU) 2019/1023 on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt, and amending Directive (EU) 2017/1132 has been transposed into French law by *Ordonnance* 2021-1193 dated 15 September 2021. Such *ordonnance*, which has applied since 1 October 2021, amends French insolvency laws notably with regard to the process of adopting restructuring plans under insolvency proceedings. According to this *ordonnance*, "affected parties" (including in particular creditors, and therefore, the Holders) shall be treated

in separate classes which reflect certain class formation criteria for the purpose of adopting a restructuring plan. Classes will be formed in such a way that each class comprises claims or interests with rights that reflect a sufficient common interest based on verifiable criteria. Holders will no longer deliberate on the proposed restructuring plan in a separate assembly, meaning that they will no longer benefit from a specific veto power on this plan. Instead, Holders will be treated the same way as other affected parties and will be grouped into one or more classes (potentially including other types of creditors) and their dissenting vote may be overridden by a cross-class cram down.

Neither the scope of Directive (EU) 2019/1023 nor the scope of the *ordonnance* cover financial institutions, unless the competent authority chooses to make them applicable. As a consequence, the application of French insolvency law to a credit institution, such as BNP Paribas is also subject to the prior permission of the *Autorité de contrôle prudentiel et de résolution* before the opening of any safeguard, judicial reorganisation or liquidation procedures. This limitation will affect the ability of the Holders to recover their investments in the Securities.

The commencement of insolvency proceedings against BNP Paribas would have a material adverse effect on the market value of Securities issued by BNP Paribas. As a consequence, any decisions taken by a class of affected parties could negatively and significantly impact the Holders and could result in a loss of some or all of their investment, should they not be able to recover some or all of the amounts due to them from BNP Paribas.

*The implementation of the EU Bank Recovery and Resolution Directive could materially affect the Securities and their Holders*

Directive 2014/59/EU, as amended by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 (the "**Bank Recovery and Resolution Directive**" or "**BRRD**") provides for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms. The BRRD has been implemented in France by several legislative texts to provide relevant resolution authorities with, among other powers, a credible set of tools (the "**BRRD Resolution Tools**") to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of that institution's critical financial and economic functions, while minimising the impact of its potential failure on the economy and financial system.

Following a review of BRRD, Directive no. 2019/879/EU of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalisation capacity of credit institutions and investment firms and Directive 98/26/EC ("**BRRD 2**") was adopted.

BRRD 2 was transposed into French law by Ordinance n°2020-1636 of 20 December 2020 relating to the resolution regime in the banking sector and Decree n°2020-1703 of 24 December 2020 relating to the resolution regime in the banking sector and took effect from 28 December 2020.

In respect of Securities where BNPP is the Issuer or the Guarantor, if BNPP is determined to be failing or likely to fail within the meaning of, and under the conditions set by the BRRD, and the relevant resolution authority applies any, or a combination, of the BRRD Resolution Tools (including, a sale of the business, the creation of a bridge institution, asset separation or bail-in), any shortfall from the sale of BNPP's assets may lead to a partial reduction in the outstanding amounts of certain claims of unsecured creditors of that entity (including, as the case may be, the Securities or the Guarantee), or, in a worst case scenario, a reduction to zero. The unsecured debt claims of BNPP (including, as the case may be, the Securities or the Guarantee) might also be converted into equity or other instruments of ownership, in accordance with the hierarchy of claims in normal insolvency proceedings, which equity or other instruments could also be subject to any future cancellation, transfer or dilution (such reduction or cancellation being first on common equity tier one instruments, thereafter the reduction, cancellation or conversion being on additional tier one instruments, then tier two instruments and other subordinated debts, then other eligible liabilities). The relevant resolution authority may also seek to amend the terms (such as varying the date for expiration, settlement or redemption) of any outstanding unsecured debt

securities (including, as the case may be, the Securities or the Guarantee) (all as further described in Condition 37 (*Recognition of Bail-in and Loss Absorption*)).

Public financial support to resolve the Issuer (or Guarantor, as the case may be) where there is a risk of failure will only be used as a last resort, after having assessed and applied the resolution tools above, including the bail-in tool, to the maximum extent possible whilst maintaining financial stability.

The exercise of any power under the BRRD by the relevant resolution authority or any suggestion that such powers may be exercised could materially adversely affect the rights of a Holder of Securities, the price or value of their investment in the Securities and/or the ability of the Issuer or the Guarantor, as the case may be, to satisfy its obligations under the Securities or the Guarantee, respectively. As a result, a Holder of Securities could lose all or a substantial part of their investment in the Securities.

*The regulation and reform of "benchmarks" may adversely affect the value of Securities linked to or referencing such "benchmarks"*

A number of major interest rates (including the Euro Interbank Offered Rate ("**EURIBOR**")), other rates, indices and other published values or benchmarks are the subject of national, international and other regulatory guidance and proposals for reform. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on the value of and return on Securities linked to any such value or benchmark.

The Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmarks Regulation**") is a key element of ongoing regulatory reform in the EU and has applied, subject to certain transitional provisions, since 1 January 2018. In addition to so-called "critical benchmark" indices, such as EURIBOR, other interest rates, foreign exchange rates, and indices, including equity, commodity and "proprietary" indices or strategies, will in most cases be within scope of the EU Benchmarks Regulation as "benchmarks" where they are used to determine the amount payable under, or the value of, certain financial instruments (including securities listed on an EU regulated market, EU multilateral trading facility ("**MTF**"), EU organised trading facility ("**OTF**") or via a systematic internaliser). Regulation (EU) 2016/1011 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") is the relevant regulatory regime applicable to, among other things, the provision of benchmarks and the use of a benchmark in the UK.

The EU Benchmarks Regulation applies to the contribution of input data to a benchmark, the administration of a benchmark, and the use of a benchmark in the EU. Amongst other things, the EU Benchmarks Regulation requires EU benchmark administrators to be authorised or registered as such and to comply with extensive requirements relating to benchmark administration. It also prohibits certain uses by EU supervised entities of (a) benchmarks provided by EU administrators which are not authorised or registered in accordance with the EU Benchmarks Regulation and (b) benchmarks provided by non-EU administrators where (i) the administrator's regulatory regime has not been determined to be "equivalent" to that of the EU, (ii) the administrator has not been recognised in accordance with the EU Benchmarks Regulation, or (iii) the benchmark has not been endorsed in accordance with the EU Benchmarks Regulation. Similarly, the UK Benchmarks Regulation prohibits the use of in the UK by UK supervised entities of benchmarks of administrators that are not authorised by the Financial Conduct Authority (the "**FCA**") or registered on the FCA register (or, if not based in the UK, not deemed equivalent or recognised or endorsed).

The EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable, could have a material adverse impact on any Securities for which a request for admission to trading on a trading venue has been made, or which are traded on a trading venue or via a "systematic internaliser" linked to, referencing or otherwise

dependent (in whole or in part) upon a "benchmark" for the purposes of the EU Benchmarks Regulation and/or UK Benchmarks Regulation, as applicable.

Any of the above changes or any other consequential changes to any benchmark may result in:

- the level of the published rate or the level of the "benchmark" or the volatility of the published rate or level being adversely affected;
- an increase in the costs and risks of administering or otherwise participating in the setting of a "benchmark" and complying with such regulations or requirements;
- the "benchmarks" (including certain currencies or tenors of benchmarks) being discontinued or otherwise unavailable, which may result in the rate of interest in respect of the Securities (if any) being determined based on any applicable fallback provisions;
- the methodology or other terms of the benchmark being changed in order to comply with regulatory requirements;
- the occurrence of an Administrator/Benchmark Event (as further described under "*Risks associated with the occurrence of an Administrator/Benchmark Event*" below); or
- have other adverse effects or unforeseen consequences.

Any such consequences could have a material adverse effect on the value of and return on any Securities and/or could lead to the Securities being de-listed, adjusted, cancelled or redeemed early following the occurrence of an Administrator/Benchmark Event, subject to discretionary valuation or adjustment by the Calculation Agent or otherwise impacted depending on the particular "benchmark" and the applicable terms of the Securities. This could also negatively affect the liquidity of the Securities and a Holder's ability to sell their Securities in the secondary market.

The EU Benchmarks Regulation was further amended by Regulation (EU) 2021/168 of the European Parliament and of the Council of 10 February 2021 which introduces a harmonised approach to deal with the cessation or wind-down of certain benchmarks (such as EURIBOR) by conferring the power to designate a statutory replacement for said benchmarks on the Commission or the relevant national authority in certain circumstances, such replacement being limited to contracts and financial instruments (such as certain Securities) which contain no fallback provision or no suitable fallback provisions and where certain trigger events relating to non-representativeness or cessation or wind down of the benchmark are met. In general, parties can opt out of the statutory replacement where all parties, or the required majority of parties, to a contract or financial instrument have agreed to apply a different replacement for a benchmark before or after entry into force of the implementing act. A statutory replacement benchmark could have a negative impact on the value or liquidity of, and return on, certain Securities linked to or referencing such benchmark and may not operate as intended at the relevant time or may perform differently from the discontinued or otherwise unavailable benchmark.

In addition Regulation (EU) 2021/168 is subject to further development through delegated regulations and the transitional provisions applicable to third-country benchmarks are extended until the end of 2023 (and the Commission is empowered to further extend this period until the end of 2025, if necessary). There are therefore still details to be clarified in relation to the potential impact of these legislative developments. Accordingly, there may be a risk that a statutory replacement benchmark may be designated if, for instance, a replacement benchmark determined in accordance with the fallback provisions is deemed unsuitable as its application no longer reflects or significantly diverges from the underlying market or the economic reality that the benchmark in cessation is intended to measure (and where certain other conditions are satisfied, including one of the parties objecting to the contractually agreed fallback).

### *Risks associated with the occurrence of an Administrator/Benchmark Event*

If specified as an Optional Additional Disruption Event in the applicable Final Terms, the occurrence of an Administrator/Benchmark Event (as defined in Security Condition 15 (*Additional Disruption Events and Optional Additional Disruption Events*)) and more fully described in the "Investment Considerations" section below) may lead to redemption or cancellation or adjustment of the Securities. Any such redemption or cancellation or adjustment of the Securities following the occurrence of an Administrator/Benchmark Event may have an adverse effect on the value and liquidity of such Securities and accordingly the amount a Holder can expect to receive on their investment.

### *The implementation of SOFR Replacement Conforming Changes could adversely affect Holders*

Under the fallback provisions applicable to Securities that pay a floating rate of interest or premium amount by reference to the Secured Overnight Financing Rate ("**SOFR**") (whether a compounded rate or the SOFR Index), if a particular SOFR Replacement or SOFR Replacement Adjustment (each as defined in General Condition 32(b)(v)(C)IV) cannot be determined, then the next-available SOFR Replacement or SOFR Replacement Adjustment will apply. These replacement rates and adjustments may be selected or formulated by (i) the Relevant Governmental Body (as defined in General Condition 32(b)(v)(C)III. (*Interest – Screen Rate Determination – SOFR*)), (ii) ISDA or (iii) in certain circumstances, the Calculation Agent and/or the Replacement Rate Determination Agent.

In addition, the fallback provisions permit the Replacement Rate Determination Agent to make certain changes (which are defined in General Condition 32(b)(v)(C)IV. as "**SOFR Replacement Conforming Changes**") with respect to, among other things, the timing and frequency of determining rates and making payments of interest. The application of a SOFR Replacement and SOFR Replacement Adjustment and any implementation of SOFR Replacement Conforming Changes could reduce the amount of interest payable in respect of an interest period, which could adversely affect the return on, value of and market for the Securities. Furthermore, the characteristics of any SOFR Replacement may not be similar to the then-current SOFR benchmark that it is replacing and/or any SOFR Replacement may not produce the economic equivalent of the then-current SOFR benchmark that it is replacing.

### *The discontinuation of Interbank Offer Rates may adversely affect the value of the Securities*

Sterling, Euro, Swiss Franc and Japanese Yen London Interbank Offered Rates ("**LIBOR**"), across all tenors, and U.S. dollar LIBOR 1 week and 2 month tenors, either ceased to exist entirely, or became non-representative of the underlying market and economic reality that such rates were intended to measure, immediately after 31 December 2021 and U.S. dollar LIBOR overnight, 1, 3, 6 and 12 month tenors will either cease to exist entirely or will become non-representative immediately after 30 June 2023. The future of EURIBOR is also uncertain. Amongst other developments, new issuances of products referencing LIBOR are no longer permitted (except in very limited circumstances) and relevant authorities are strongly encouraging the transition away from Interbank Offered Rates ("**IBORs**"), such as EURIBOR. A number of "risk free rates" have been identified to take the place of such IBORs as primary benchmarks. This includes (i) for sterling LIBOR, a reformed Sterling Overnight Index Average ("**SONIA**") as the primary Sterling interest rate benchmark, (ii) for EONIA and EURIBOR, Euro Short-Term Rate ("**€STR**") as the new euro risk free rate, (iii) for USD LIBOR, SOFR as the primary U.S. dollar interest rate benchmark, (iv) for CHF LIBOR, the daily Swiss Average Rate Overnight ("**SARON**") as the primary Swiss Franc interest rate benchmark and (v) for JPY LIBOR, the Tokyo Overnight Average Rate ("**TONA**") as a Japanese Yen interest rate benchmark. The risk free rates have a different methodology and other important differences from the IBORs they have replaced, a limited historical track record and may be subject to changes in their methodology. Uncertainties in the development of these risk free rates could have a material adverse effect on the value of and return on Securities linked to any such rates.

The reforms and eventual replacement of EURIBOR with €STR rates may cause EURIBOR to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted.

Investors in Securities referencing EURIBOR or STIBOR as a floating rate of interest or premium amount face the risk that such rate will be discontinued or otherwise unavailable during the term of their Securities, in which case the rate of interest on the Securities will be determined for the relevant period by the fall-back provisions applicable to the Securities. Depending on the manner in which EURIBOR or STIBOR is to be determined under the Terms and Conditions, this may in certain circumstances result in (i) the application of a backward looking, risk free overnight rate, whereas EURIBOR and STIBOR are expressed on the basis of a forward looking term and include a risk element based on inter bank lending, (ii) result in the effective application of a fixed rate based on the rate which applied in the previous period when EURIBOR or STIBOR, as the case may be, was available, or (iii) be determined by reference to an alternative rate selected by an institution with authority consistent with industry accepted standards or, in the absence of such alternative rate, by a third party agent appointed by the Calculation Agent. As the replacement rate will not be identical to the original rate (and may not be comparable), any of the foregoing circumstances could have a significant adverse effect on the value or liquidity of, and return on, the Securities. In addition, any Holder of such Securities that enter into hedging instruments based on the original replacement reference rate may find their hedges to be ineffective, and they may incur costs replacing such hedges with instruments tied to the new replacement reference rate.

*The market continues to develop in relation to SONIA, SOFR, €STR, SARON and TONA as reference rates for Securities that pay a floating rate of interest*

Where the applicable Final Terms specifies that the Rate of Interest in respect of the Securities will be determined by reference to SONIA, SOFR, €STR, SARON or TONA, the Rate of Interest will be determined by reference to the Compounded Daily SONIA (including on the basis of the SONIA Index published by the relevant administrator or other information service specified in the applicable Final Terms), Weighted Average SONIA, Compounded Daily SOFR (including on the basis of the SOFR Index published on the NY Federal Reserve Website), SOFR Arithmetic Mean, Compounded Daily €STR, Compounded Daily SARON or Compounded Daily TONA, as specified in the applicable Final Terms.

The ongoing development of compounded daily SONIA, SOFR, €STR, SARON and TONA as reference rates in the capital markets, as well as continued development of SONIA-, SOFR-, €STR-, SARON- and TONA-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Securities that reference a SONIA, SOFR, €STR, SARON or TONA rate, as applicable.

The market, or a significant part thereof, may adopt an application of SONIA, SOFR, €STR, SARON and TONA that differs significantly from that set out in the Conditions and used in relation to Securities that pay a floating rate of interest that reference a SONIA, SOFR, €STR, SARON and TONA rate issued under this Base Prospectus. Interest on Securities which reference a SONIA, SOFR, €STR and SARON rate is only capable of being determined at the end of the relevant Interest Period and shortly prior to the relevant Interest Payment Date. It may be difficult for investors in Securities that reference a SONIA, SOFR, €STR, SARON and TONA rate to estimate reliably the amount of interest that will be payable on such Securities, which could adversely impact the liquidity of such Securities. In contrast to Securities that pay a floating rate of interest referencing a term rate, such as EURIBOR or STIBOR, if Securities referencing compounded daily or single daily SONIA, SOFR, €STR, SARON or TONA are redeemed early and accrued interest is payable on such redemption in respect of a period which is not an Interest Period, the final Rate of Interest payable in respect of such Securities will only be determined at the due date for redemption.

In addition, the manner of adoption or application of SONIA, SOFR, €STR, SARON and TONA reference rates in the Eurobond markets may differ materially compared with the application and adoption of SONIA, SOFR,



€STR, SARON and TONA in other markets, such as the derivative and loan markets. Any such mismatch between the adoption of SONIA, SOFR, €STR, SARON and TONA reference rates across these markets may adversely impact any hedging or other financial arrangements which a Holder has in connection with any acquisition, holding or disposal of any Securities referencing a SONIA, SOFR, €STR, SARON and TONA rate and could have a material adverse impact on such Holder's investments.

To the extent the SONIA, SOFR, €STR, SARON or TONA rate is not published, the applicable rate to be used to calculate the Rate of Interest in respect of an Interest Period, will be determined using the fallback provisions set out in the Conditions. Any of these fallback provisions may result in interest payments that are lower than, or do not otherwise correlate over time with, the payments that would have been made on the Securities if the SONIA, SOFR, €STR, SARON or TONA rate had been published as expected as of the Issue Date of the Securities. In addition, application of the fallback provisions may result in the effective application of a fixed rate of interest in respect of the Securities.

*Investors will not know in advance the interest amount payable on Securities which is calculated by reference to SONIA, SOFR, €STR, SARON or TONA*

The rate of interest on the Securities may be calculated by reference to SONIA, SOFR, €STR, SARON or TONA. Because such rates are overnight funding rates, interest on Securities that reference such rates with Interest Periods longer than overnight will be calculated on the basis of (a) in the case of SONIA, (i) the weighted average mean of SONIA over the relevant Observation Lookback Period in respect of an Interest Period or where SONIA is fixed for a certain number of days prior to the end of the relevant Interest Period, (ii) a compounded SONIA (x) in respect of the Interest Period, provided that the SONIA used as the basis for calculation is that which was published a specified number of days prior to the observation date or (y) in respect of a period that starts a specified number of days prior to the relevant Interest Period and ends the same specified number of days prior to the end of such Interest Period or (ii) calculated by reference to the SONIA Index published by the administrator of the SONIA reference rate, (b) in the case of SOFR, (i) the arithmetic mean of SOFR over the relevant Interest Period, where the SOFR is fixed for a certain number of days prior to the end of such Interest Period, (ii) a compounded SOFR (x) in respect of the Interest Period, provided that the SOFR used as the basis for calculation is that which was published a specified number of days prior to the observation date or (y) in respect of a period that starts a specified number of days prior to the relevant Interest Period and ends the same specified number of days prior to the end of such Interest Period or (iii) calculated by reference to the SOFR Index published on the NY Federal Reserve Website (c) in the case of €STR, a compounded €STR (x) in respect of the Interest Period, provided that €STR used as the basis for calculation is that which was published a specified number of days prior to the observation date or (y) in respect of a period that starts a specified number of days prior to the relevant Interest Period and ends the same specified number of days prior to the end of such Interest Period, (d) in the case of SARON, a compounded SARON in respect of a period that starts a specified number of days prior to the relevant Interest Period and ends the same specified number of days prior to the end of such Interest Period or (e) in the case of TONA, a compounded TONA (i) in respect of the Interest Period, provided that the TONA used as the basis for calculation is that which was published a specified number of days prior to the observation date or (ii) in respect of a period that starts a specified number of days prior to the relevant Interest Period and ends the same specified number of days prior to the end of such Interest Period. As a consequence of these calculation methods, the amount of interest payable on each interest payment date will only be known a short period of time prior to the relevant interest payment date. Investors therefore will not know in advance the interest amount which will be payable on such Securities and there is a possibility that such amount could be lower than expected.

*Any failure of SOFR to gain market acceptance could adversely affect a Holder of Securities that pay a floating rate of interest referencing SOFR*

A Holder of Securities that pay a floating rate of interest that references SOFR are exposed to the risk that such rate may not be widely accepted in the market. The risk of this occurring is mitigated by the fact that SOFR was

developed for use in certain U.S. dollar derivatives and other financial contracts as an alternative to LIBOR in part because it is considered to be a good representation of general funding conditions in the overnight U.S. Treasury repo market. However, as a rate based on transactions secured by U.S. Treasury securities, it does not measure bank-specific credit risk and, as a result, is less likely to correlate with the unsecured short-term funding costs of banks. This may mean that market participants would not consider SOFR to be a suitable substitute or successor for all of the purposes for which LIBOR historically has been used (including, without limitation, as a representation of the unsecured short-term funding costs of banks), which may, in turn, lessen its market acceptance. Any failure of SOFR to gain or maintain market acceptance could adversely affect the return on, value of and market for Securities that pay a floating rate of interest referencing SOFR. Investors should also be aware that they may be unable to sell SOFR-Linked Securities at all or may not be able to sell such Securities at prices that will provide a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

### **Risks Relating to Secured Securities**

The risk factors set out below relate to Secured Securities, which are subject to the provisions set out in "*Annex 12 – Additional Terms and Conditions for Secured Securities*".

#### *Shortfall on realisation of Collateral Pool*

Secured Securities issued by BNPP B.V. will be secured by a pool (a "**Collateral Pool**") of assets (the "**Collateral Assets**"). Where a default and/or insolvency event occurs with respect to BNPP B.V. and/or the Guarantor and the security for the Secured Securities is enforced, the value realised for the Collateral Assets in the relevant Collateral Pool may be insufficient to pay the Security Termination Amount in respect of the relevant Secured Security, in which case a "**Shortfall**" will be deemed to occur unless, Physical Delivery of Collateral and Nominal Value Collateralisation is applicable in respect of all the Secured Securities secured by the relevant Collateral Pool. Under the terms of the relevant Guarantee, the Guarantor agrees to make payment of the Shortfall in respect of each Secured Security if BNPP B.V. fails to pay such amount; however, in the event of the insolvency of BNPP B.V. and the Guarantor, the Guarantor may not be in a position to pay all or part of any Shortfall and investors may lose all or a substantial portion of their investment.

Where one of "Security Value Realisation Proceeds", "Nominal Value Realisation Proceeds" or "Partial Nominal Value Realisation Proceeds" is specified in the applicable Final Terms as the applicable Security Termination Amount and the amount paid to a Holder is equal to such Security Termination Amount, no Shortfall will be calculated in respect of such Secured Securities and no other amount will be payable by BNPP B.V. in respect of such Secured Securities. In such circumstances, the amount received by a Holder following an Enforcement Event may not be equal to the market value of the relevant Secured Security prior to the occurrence of the Enforcement Event and may be significantly less.

#### *Adjustments to Collateral Pool comprised of Collateral Assets or a cash amount*

If specified in the applicable Final Terms, the Collateral Pool may be adjusted following a Collateral Valuation Date to reflect changes in (i) the amount of cash standing to the credit of the Collateral Account (the "**Deposit Amount**") and/or (ii) the marked to market value of the Collateral Assets compared to the value associated with each series of Secured Securities secured by the relevant Collateral Pool. Depending on the frequency of the Collateral Valuation Date, investors may be adversely affected as they will be exposed to credit risk on BNPP B.V. and the Guarantor to the extent of the difference between (A) the value of the Secured Securities and (B) the Deposit Amount and/or the marked to market value of the Collateral Assets prior to any such adjustments being made.

### *No adjustments to a Collateral Pool*

If there are no Collateral Valuation Dates for the Secured Securities, there will be no adjustments to the Collateral Assets in the Collateral Pool to reflect the current market value of the relevant Secured Securities at any point in time and, as a result, the market value of the Collateral Assets may be significantly lower than the amount due on exercise or redemption of the Secured Securities. A Holder will therefore be exposed to the difference between such market value and the amount due on exercise or redemption of the Securities to the extent it is necessary for the Collateral Agent to realise such Collateral Assets in connection with the exercise or redemption of the Securities.

### *Fluctuations in the value of the Collateral Assets*

Investors should note that the Collateral Assets may suffer a fall in value between the time at which the relevant Pledge Agreement(s) become enforceable and the time at which the Collateral Assets are realised in full. Any delay in realising the relevant Collateral Assets, fluctuations in the value of the Collateral Assets and/or the costs and expenses incurred in, or relating to, any sale of relevant Collateral Assets will expose a Holder to the difference between the value of the Secured Securities and the Realisation Amount, which may have a negative impact on the amount a Holder receives. In extraordinary circumstances, the Collateral Assets available at the time at which the relevant Pledge Agreement(s) become enforceable could completely lose their value by the time of the realisation. Any such fall in value of the Collateral Assets will mean that there is less cash available to BNPP B.V. to make payments and increase the Holder's risk on the Guarantor to make payments.

### *Lack of diversification of the Collateral Assets*

The Collateral Assets in a Collateral Pool may (including where Limited Diversification is specified as being applicable in the applicable Final Terms) be limited to one or a few assets or the same or a small number of types of asset between which there is a correlation in respect of value or risk or such assets may be issued by the same issuer or a small number of issuers, or by the same or a small number of types of issuer which may operate in similar or related business sectors. As a result of such limited diversification, the amount recovered in respect of the Collateral Assets on their sale will be dependent on the then current market value of a smaller number or type of Collateral Assets and/or Collateral Assets issued by a smaller number of issuers or type of issuers and this may increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holder under the relevant Secured Securities and accordingly, a Holder may receive less than anticipated or may receive nothing.

### *Cross default*

Following the occurrence of an Enforcement Event in respect of any Collateral Pool, the Collateral Agent will realise the Collateral Assets for all Collateral Pools or will cause such Collateral Assets to be realised. Where the Collateral Assets are securities, liquidation of all the Collateral Assets simultaneously could potentially lead to a reduction in the market value of some or all of the Collateral Assets and this would increase the risk that the proceeds of realisation of the Collateral Assets may be less than the sums due to the relevant Holder under the relevant Secured Securities and accordingly, a Holder may receive less than anticipated or may receive nothing.

### *Risk of a delay in the realisation of the Collateral Assets in the event of the insolvency of BNPP B.V.*

In the event of the insolvency of BNPP B.V., the realisation of the Collateral Assets may be delayed either by the insolvency administrator appointed in relation to BNPP B.V. or by measures ordered by a competent court. Such delay could adversely affect the position of the Holder in the event of the Collateral Assets falling in value during such delay. In addition, as the Collateral Agent and BNPP B.V. are part of the Group, in the event of the insolvency of BNPP B.V., it is also possible that the Collateral Agent may be insolvent. Such circumstances may lead to an inability to realise the Collateral Assets and/or a delay in the realisation of the Collateral Assets.

### *Illiquid Collateral Assets*

The Collateral Assets in some Collateral Pools may comprise assets which are not admitted to any public trading market and may therefore be illiquid and not readily realisable. Where there is limited liquidity in the secondary market relating to Collateral Assets, the Collateral Agent (or its agent) may not be able to sell such Collateral Assets to a third party and distribute the net proceeds to the Holder. As a result, the Holder may be adversely affected, as they may not receive payments in respect of their Secured Securities until such Collateral Assets mature or are redeemed in accordance with their terms. The maturity date of such Collateral Assets may be after the date of redemption or termination of the relevant Secured Securities.

### *Subordination of the Holder to payment of expenses and other payments*

On enforcement of the relevant Pledge Agreement(s) or other applicable security agreements, the rights of the Holder to be paid amounts from the proceeds of such enforcement and realisation of the Collateral Assets may be subordinate to (i) any fees and expenses incurred in such enforcement and realisation of the Collateral Assets and (ii) prior rights of the parties (if any) identified in the applicable Priority of Payments or in the applicable Collateral Security Conditions (which may, without limitation, include the Swap Counterparty and/or Repo Counterparty (in each case to the extent appointed or applicable to a series of Secured Securities) to be paid amounts due from BNPP B.V. in priority to the Holder from the proceeds of such enforcement and realisation of the Collateral Assets. Such amounts which may be paid in priority may include, without limitation, termination payments due from BNPP B.V. to the Repo Counterparty under any Repurchase Agreement entered into with respect to such series of Secured Securities and/or termination payments due from BNPP B.V. to the Swap Counterparty under any Swap Agreement entered into with respect to such series of Secured Securities. Where other parties are paid amounts in priority to the Holder from the proceeds of such enforcement and realisation of the Collateral Assets, this will reduce the amount available to be paid to the Holder in the event of enforcement of the security and increase the likelihood of the Holder suffering a loss.

### *Physical Delivery of Collateral*

If Physical Delivery of Collateral is specified in respect of a series of Secured Securities upon enforcement of the Pledge Agreement, the Collateral Agent will not sell the Collateral Assets which are subject to such physical delivery (unless there is a Collateral Settlement Disruption Event) but will deliver the Collateral Assets in the manner set out in the Collateral Security Conditions. In such cases, investors wishing to sell Collateral Assets before their scheduled redemption date may not be able to realise an amount equal to the nominal amount of the relevant Collateral Assets which they have received on the secondary market prior to the Redemption Date and such Holder will be exposed to fluctuations in the price of the Collateral Assets according to market conditions, which may negatively affect the return they receive.

### *Collateral Settlement Disruption Event*

When Physical Delivery of Collateral is applicable, if a Collateral Settlement Disruption Event occurs or exists on the Collateral Delivery Date, settlement will be postponed until the next Business Day on which there is no Collateral Settlement Disruption Event. If such Collateral Settlement Disruption Event continues for a period of not more than eight Business Days after the original Collateral Delivery Date, the Collateral Agent will arrange for the sale of such Collateral Assets instead of delivery of the relevant Collateral Assets which are due to be delivered in accordance with the relevant Collateral Security Conditions. The amount received by a Holder following such sale of Collateral Assets may be lower than the amount which a Holder would have received if the relevant Collateral Assets had been delivered to it and the Holder held the relevant Collateral Assets to the maturity date of such assets or sold such assets at a different point in time.

### *Credit risk on the Reference Collateral Asset Issuer*

In the case of Collateral Asset Linked Securities, upon the occurrence of any Collateral Asset Default or Collateral Default Event, the Holder may suffer significant losses at a time when losses may be suffered by a direct investor in obligations of such Reference Collateral Asset Issuer. However, the holding of a Collateral Asset Linked Security is unlikely to lead to outcomes which exactly reflect the impact of directly investing in the Reference Collateral Assets, and losses borne by a Holder could be considerably greater than would be suffered by a direct investor in the Reference Collateral Assets and/or could arise for reasons unrelated to such Reference Collateral Assets. A Holder should also note that a Collateral Asset Default or Collateral Default Event may occur even if the obligations of the Reference Collateral Asset Issuer under the Reference Collateral Assets are unenforceable or their performance is prohibited by any applicable law or exchange controls.

### *Consultation Period*

Where a Distributor is specified in the applicable Final Terms for a series of Collateral Asset Linked Securities and a Collateral Asset Default or Collateral Default Event, as applicable, may have occurred, the Calculation Agent will consult with the Distributor as to whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred for a period of up to five Business Days. If the Calculation Agent and the Distributor do not agree whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred, the Calculation Agent will obtain the views of three participants in the relevant market for the Reference Collateral Assets as to whether a Collateral Asset Default or Collateral Default Event, as applicable, has occurred. If a Collateral Asset Default or Collateral Default Event, as applicable, has occurred, the requirement to consult with the Distributor and, potentially, with market participants could lead to a delay in BNPP B.V. redeeming the Collateral Asset Linked Securities and as a consequence a Holder may potentially suffer a loss if the value of the Option and/or the Reference Collateral Assets decline in the period when the relevant consultation(s) is taking place.

### *Risks associated with credit risk retention*

The Secured Securities sold as part of the initial distribution of any Secured Securities may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**". "**U.S. Risk Retention Rules**" means Regulation RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. It is not certain whether the foreign transaction safe harbor exemption from the U.S. Risk Retention Rules will be available. Failure of the offering to comply with the U.S. Risk Retention Rules (regardless of the reason for the failure to comply) could give rise to regulatory action which may adversely affect the Secured Securities. Furthermore, the impact of the U.S. Risk Retention Rules on the securitization markets generally is uncertain, and a failure by a transaction to comply with the U.S. Risk Retention Rules could negatively affect the market value and secondary market liquidity of the Secured Securities.

### **Certain Additional Risk Factors associated with Warrants**

#### *Limitations on Exercise of Warrants*

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 Holder may not be able to exercise on such date all the Warrants that such Holder desires to exercise delaying the point at which a Holder may realise a return on the Warrants.

### *Minimum Exercise Amount of Warrants*

If so indicated in the Final Terms, a Holder must tender or, in the case of automatic exercise, hold, a specified number of Warrants at any one time in order to exercise. Thus, a Holder 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 value of the Entitlement (in the case of Physical Delivery Warrants) of such Warrants.

### *Time Lag after Exercise of Warrants*

Delivery of an Exercise Notice by a Holder will constitute an irrevocable election to exercise the relevant Warrants. After the delivery of an Exercise Notice, such Holder will not be able to transfer the Warrants that have been exercised. There will be a time lag between the time a Holder 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, particularly in the case of a delay in the exercise of Warrants arising from any daily maximum exercise limitation, the occurrence of a Market Disruption Event or the failure to open of an exchange (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 Securities. 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 relevant Warrants, and may result in such Cash Settlement Amount being zero.

### *Risks associated with Securities denominated in Renminbi*

Renminbi is not completely freely convertible at present. The PRC government continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar, although control by the PRC government over routine foreign exchange transactions under current accounts has decreased over the years.

Remittance of Renminbi into and out of the PRC for the settlement of capital account items is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to strict monitoring system. Regulations in the PRC on the remittance of Renminbi into the PRC for settlement of capital account items are being developed gradually and will be subject to interpretation and application by the relevant authorities in the PRC.

From 1 October 2016 Renminbi was added to the Special Drawing Rights basket created by the International Monetary Fund; however, the PRC government may not continue to gradually liberalise the control over cross-border Renminbi remittances in the future or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. Furthermore, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of transactions categorised as capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules. Such restrictions may negatively affect the liquidity and value of Securities denominated in Renminbi.

As a result of the restrictions by the PRC government on cross-border Renminbi fund flows, the availability of Renminbi outside of the PRC is limited. Currently, financial institutions in a number of financial centres and cities (each a "**RMB Clearing Bank**") have entered into settlement agreements (the "**Settlement Agreements**") with the People's Bank of China ("**PBOC**") to act as the RMB clearing bank.

However, the current size of Renminbi-denominated financial assets outside the PRC is limited. Renminbi business participating banks do not have direct Renminbi liquidity support from PBOC and the relevant RMB

Clearing Bank only has access to onshore liquidity support from PBOC to square open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services and the participating banks will need to source Renminbi from the offshore market to square such open positions.

The offshore Renminbi market is subject to many constraints as a result of PRC laws and regulations on foreign exchange. New PRC regulations may be promulgated or the Settlement Agreements may be terminated or amended in the future which will have the effect of further restricting availability of Renminbi offshore. The limited availability of Renminbi outside the PRC may affect the liquidity of the Securities. To the extent the relevant Issuer is required to source Renminbi in the offshore market to service its Securities, the Issuer may not be able to source such Renminbi on satisfactory terms, if at all. If Renminbi is not available, in certain circumstances as described in the Conditions applicable to the Securities, the relevant Issuer can make payments under the Securities in the Equivalent Amount Settlement Currency, which may negatively affect the amount a Holder receives in respect of Securities denominated in Renminbi.

## INVESTMENT CONSIDERATIONS

### 1. General investment considerations associated with the Securities

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

Unless the Securities are Secured Securities, the Securities are unsubordinated and unsecured obligations of the relevant Issuer and will rank *pari passu* with themselves. Each issue of Securities issued by BNPP B.V. will be guaranteed by BNPP pursuant to the English Law Guarantee for Unsecured Securities, in the case of English Law Securities, the French Law Guarantee for Unsecured Securities, in the case of French Law Securities or the Dutch Law Guarantee, in the case of Dutch Law warrants, the Dutch Law Guarantee for Unsecured Securities. The obligations of BNPP under the Guarantees are senior preferred obligations within the meaning of Article L.613-30-3-I-3° of the *French Code monétaire et financier*) and unsecured obligations of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations, subject to such exceptions as may from time to time be mandatory under French law.

*Description of the role of the Calculation Agent*

- (a) The Calculation Agent may be an Affiliate of the relevant Issuer or, if applicable, the Guarantor, or the Calculation Agent may be the Issuer itself or, if applicable, the Guarantor itself. The Calculation Agent is under no obligation to take into account the interests of any Holder of the Securities, including with respect to making certain determinations and judgments, such as whether an event, including a Market Disruption Event, a Settlement Disruption Event or Credit Event (each, as defined in the Conditions), has occurred and, in some cases, the applicable consequences.
- (b) The Calculation Agent is obliged to carry out its duties and functions as calculation agent acting in good faith and in a commercially reasonable manner.

Investors should also refer to "*Potential Conflicts of Interest*" in the "*Risks*" section.

*Recognition of English court judgments at the end of the United Kingdom's Brexit Transition Period*

On 31 January 2020, the United Kingdom (the "**UK**") formally left the European Union. Pursuant to a treaty entitled "the Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community" (the "**Withdrawal Agreement**"), the UK and the EU agreed to an implementation period, ending on 31 December 2020 (the "**Transition Period**"). The Withdrawal Agreement was incorporated into English law by the European Union (Withdrawal Agreement) Act 2020.

As a result of leaving the EU, the UK is no longer bound by the provisions of Regulation (EU) No 1215/2012 (the "**Brussels Recast**"), a formal reciprocal regime between EU Member States on the allocation of jurisdiction and the mutual recognition and enforcement of Member State judgments. This regime is no longer applied by English courts, save in relation to legacy cases (i.e. those cases where proceedings were initiated prior to the end of the Transition Period). As a further consequence, English judgments will no longer be recognised and enforced in EU Member State courts under this regime, again, save for legacy cases where English judgments are issued in proceedings commenced prior to the end of the Transition Period.

Upon leaving the EU, the UK also ceased to be a member of another convention on the allocation of jurisdiction and the mutual enforcement of contracting state court judgments, the Lugano Convention 2007 (the "**Lugano Convention**"). The EU, Switzerland, Iceland and Norway are members of the Lugano Convention and the UK has applied to re-join this convention. As of the date of this Base Prospectus, the UK's application is pending. As the UK is no longer a Lugano contracting state, English judgments cannot be enforced under this regime in other



contracting states, although Norway has put in place arrangements with the UK for the reciprocal enforcement of judgments.

Investors should also note that on 1 January 2021 the UK re-joined the Hague Convention on Choice of Court Agreements 2005 (the "**Hague Convention**") as a sovereign state. The Hague Convention is another international convention on the jurisdiction and the reciprocal enforcement of contracting state judgments. The Hague Convention requires contracting states to respect exclusive jurisdiction clauses in favour of other contracting state courts and to enforce resulting judgments. The EU, Mexico, Montenegro and Singapore are currently contracting states.

Accordingly, English judgments issued by an English court pursuant to an exclusive jurisdiction clause entered into after 1 January 2021 should be recognised and enforced in EU states (and Mexico, Montenegro and Singapore) under the Hague Convention, subject to standard exceptions. It is generally considered that the Hague Convention only covers exclusive jurisdiction clauses and resulting judgments (although, investors should note that there are some matters, such as certain company matters that are outside the scope of the Hague Convention). There remains uncertainty as to whether the Hague Convention would be applied by Member State courts in respect of exclusive jurisdiction clauses entered into between 1 October 2015 (when the EU joined the Convention) and 31 December 2020. The UK has legislated to confirm such clauses would be treated as being with the Hague Convention. Although the grounds upon which enforcement may be refused under the Hague Convention are in substance similar to those under the Brussels Recast, the Hague Convention is new and therefore there may be some uncertainty as to how Member State courts apply these provisions, at least initially.

Where English jurisdiction clauses and judgments are not within the scope of the Hague Convention, it will be necessary to consider the applicable national law rules.

#### *Banking regulations and resolution measures*

In France, credit institutions such as BNP Paribas must comply with the norms of financial management set by the Minister of Economy, the purpose of which is to ensure the creditworthiness and liquidity of French credit institutions. These banking regulations are mainly derived from EU directives and regulations. Banking regulations implementing the Basel III reforms were adopted on 26 June 2013, and subsequently revised following legislative proposals issued by the European Commission on 23 November 2016 (the "**EU Banking Package**") consisting of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended from time to time including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 (the "**CRD**") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended from time to time including by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 and Regulation (EU) 2020/873 of the European Parliament and of the Council of 24 June 2020 amending Regulations (EU) No 575/2013 and (EU) 2019/876 as regards certain adjustments in response to the COVID-19 pandemic (the "**CRR**"). Furthermore, Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended from time to time including by Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 as part of the EU Banking Package (the "**BRRD**") and Regulation (EU) 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) 1093/2010, as amended from time to time including by Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 as part of the EU Banking Package (the "**SRMR**"), aim at addressing banking crises in a manner that ensures that losses are borne primarily by shareholders and creditors rather than taxpayers while minimizing effects on financial stability, and entrusts resolution authorities with certain recovery and resolution powers to this effect. The SRMR provides for

the establishment of a single resolution board (the "**Single Resolution Board**") and a single resolution fund (the "**Single Resolution Fund**") funded through contributions made by the banking industry.

The amended versions of the CRD and of the BRRD were required to be implemented into national law by December 2020. The amended version of the CRR has taken effect as from June 2021, with the exception of certain provisions that had already entered into effect or that will take effect through 2025. The amended version of the SRMR took effect as from 28 December 2020.

The European Commission presented on October 27, 2021 a legislative package to finalize the implementation of the Basel III standards within the European Union amending the above-mentioned banking regulations. On April 18, 2023, the European Commission presented a legislative package to adjust and further strengthen the EU's existing bank crises management and deposit insurance ("**CMDI**") framework by amending the BRRD, the SRMR and the Deposit Guarantee Scheme Directive ("**DGSD**"). The legislative package will now be discussed by the European Parliament and the Council.

As a significant Eurozone institution, BNP Paribas is subject to the supervision of the ECB since November 2014. As of 1 January 2016, the Single Resolution Board became the competent resolution authority with respect to significant Eurozone institutions such as BNP Paribas, and is in charge of the resolution tasks relating to the implementation of BRRD/SRMR.

## **2. Investment considerations associated with certain rates**

### *Additional information on EURIBOR and related reforms*

The euro risk free rate working group for the euro area has published a set of guiding principles and high level recommendations for fallback provisions in, amongst other things, new euro denominated cash products (including bonds) referencing EURIBOR. The guiding principles indicate, amongst other things, that continuing to reference EURIBOR in relevant contracts (without robust fallback provisions) may increase the risk to the euro area financial system. On 11 May 2021, the euro risk free rate working group published its recommendations on EURIBOR fallback trigger events and fallback rates.

Investors should be aware that, if EURIBOR were discontinued or otherwise unavailable, the relevant rate in respect of the Securities will be determined for the relevant period by the fall-back provisions applicable to the Securities, as further described in the Conditions.

### *Additional information on the development of SONIA, SOFR, €STR, SARON and TONA as reference rates*

Holders of Securities that reference SONIA, SOFR, €STR, SARON or TONA should be aware that the market continues to develop in relation to SONIA, SOFR, €STR, SARON and TONA, respectively, as reference rates in the capital markets and their adoption as an alternative to GBP-LIBOR, USD-LIBOR, EURIBOR, CHF-LIBOR and JPY-LIBOR, respectively. For example, in the context of backwards-looking rates, market participants and relevant working groups are currently assessing the differences between compounded rates and weighted average rates and the basis on which to determine them, and such groups are also exploring forward-looking "term" SONIA, SOFR, €STR, SARON and TONA reference rates; although, it is not known whether they will be adopted by the markets. The adoption of SONIA, SOFR, €STR, SARON or TONA may also see component inputs into swap rates or other composite rates.

The market, or a significant part thereof, may adopt an application of SONIA, SOFR, €STR, SARON or TONA that differs significantly from the methodology set out in the Conditions.

*Additional information on the development of SONIA reference rates for use in the capital markets*

In connection with the ongoing development of the market in relation to SONIA as a reference rate in the capital markets, market participants and relevant working groups are exploring alternative reference rates based on SONIA, including term SONIA reference rates (which seek to measure the market's forward expectation of an average SONIA rate over a designated term). The ongoing development of Compounded Daily SONIA as an interest reference rate for the Eurobond markets, as well as continued development of SONIA-based rates for such markets and the market infrastructure for adopting such rates, could result in reduced liquidity or increased volatility or could otherwise affect the market price of the Securities.

*If EURIBOR, STIBOR or any other benchmark is discontinued, the applicable underlying interest rate may be changed*

In respect of Securities which pay a floating rate of interest, if the Issuer or the Calculation Agent determines at any time that the relevant reference rate has been discontinued, the Calculation Agent will use, as a substitute for the relevant reference rate, the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution in the jurisdiction of the currency of the relevant rate that is consistent with industry accepted standards. If the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will appoint a determination agent (which may be the Issuer, the Guarantor (if applicable) or an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent) who will determine a replacement reference rate, as well as any required changes to the business day convention, the definition of business day, the determination date, the day count fraction and any method for calculating the replacement rate including any adjustment required to make such replacement reference rate comparable to the relevant reference rate. Such replacement reference rate will (in the absence of manifest error) be final and binding, and will apply to the relevant Securities.

The replacement rate may perform differently from the discontinued reference rate. It is possible that if adjustment is applied to any Securities such adjustment may not reflect this difference in performance exactly.

The conditions also provide for other fallbacks, such as consulting reference banks for rate quotations, which may not be possible if the reference banks decline to provide such quotations for a sustained period of time (or at all). If the relevant screen page for the reference rate is not available or it is not possible to obtain quotations then the Calculation Agent will determine the relevant rate of interest for the affected Securities as the rate it determines was last available prior to such non-availability. Investors should note that the replacement rate may be different to the original rate.

It is possible that, if a reference rate is discontinued, a clear successor rate will not be established in the market for some time. Accordingly, the terms of the Securities provide as an ultimate fallback that, following the designation of a replacement rate, if the Calculation Agent or the determination agent appointed by the Calculation Agent considers that such replacement reference rate is no longer substantially comparable to the original reference rate or does not constitute an industry accepted successor rate, the Calculation Agent will appoint or re-appoint a determination agent (which may or may not be the same entity as the original determination agent) for the purposes of confirming the replacement reference rate or determining a substitute replacement reference rate (despite the continued existence of the initial replacement reference rate). Any such substitute replacement reference rate, once designated pursuant to the Conditions, will apply to the affected Securities. This could impact the relevant rate in respect of the Securities.

*Additional considerations associated with Securities that pay a floating rate of interest referencing SOFR*

SOFR is a relatively new rate. The NY Federal Reserve began to publish SOFR in April 2018. Although the NY Federal Reserve has published historical indicative SOFR information going back to 2014, such prepublication historical data inherently involves assumptions, estimates and approximations. Investors should not rely on any

historical changes or trends in SOFR as an indicator of the future performance of SOFR. Since the initial publication of SOFR, daily changes in the rate have, on occasion, been more volatile than daily changes in other benchmark or market rates. As a result, the return on and value of Securities that pay a floating rate of interest or premium amount by reference to SOFR ("**SOFR-Linked Securities**") may fluctuate more than floating rate debt securities that are linked to less volatile rates.

Because SOFR is a relatively new market index, SOFR-Linked Securities will likely have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities indexed to SOFR, such as the spread over the base rate reflected in the interest rate provisions, may evolve over time, and trading prices of SOFR-Linked Securities may be lower than those of later-issued SOFR-linked debt securities as a result. Similarly, if SOFR does not prove to be widely used in securities like the Securities, the trading price of SOFR-Linked Securities may be lower than those of securities linked to rates that are more widely used.

The manner of adoption or application of reference rates based on SOFR in the bond market may differ materially compared with the application and adoption of SOFR in other markets, such as the derivatives and loan markets. Investors should carefully consider how any potential inconsistencies between the adoption of reference rates based on SOFR across these markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of the SOFR-Linked Securities.

The NY Federal Reserve notes on its publication page for SOFR that use of SOFR is subject to important limitations, including that the NY Federal Reserve may alter the methods of calculation, publication schedule, rate revision practices or availability of SOFR at any time without notice. There can be no guarantee that SOFR will not be discontinued or fundamentally altered in a way that affects the value of the Securities. If the manner in which SOFR is calculated is changed or if SOFR is discontinued, that change or discontinuance may result in a reduction or elimination of the amount of interest payable on SOFR-Linked Securities and a reduction in the trading prices of such Securities.

### **3. Investment considerations associated with adjustment, disruption and related cancellation provisions in respect of the Securities**

#### *Description of Additional Disruption Event and Optional Additional Disruption Events*

The Additional Disruption Events correspond to changes in law (including changes in tax or regulatory capital requirements) and hedging disruptions in respect of any hedging transactions relating to the Securities. The Optional Additional Disruption Events that may be specified in the applicable Final Terms correspond to the occurrence of an event relating to benchmark reform (including a material change, permanent cancellation or issue with any official authorisation of the benchmark, administrator or sponsor) (an Administrator/Benchmark Event), an early redemption of any Debt Instruments (a Cancellation Event), an issue converting or determining a rate for a currency (a Currency Event), a failure to deliver assets comprising the Entitlement in the case of Physical Delivery Securities (a Failure to Deliver due to Illiquidity), a materially increased cost of hedging (an Increased Cost of Hedging), an increase in the rate to borrow any relevant share or any component of an Index (an Increased Cost of Stock Borrow), circumstances where it is impracticable, illegal or impossible to purchase, sell, hold or otherwise deal in the Underlying Reference (a Jurisdiction Event), insolvency of the relevant Share Company or Basket Company (an Insolvency Filing), an inability to borrow any relevant share (a Loss of Stock Borrow) and/or a drop in the price of a Share below 5 per cent. (or such other value specified in the applicable Final Terms) of its Strike Price (a Stop-Loss Event). Each of the Additional Disruption Events and Optional Additional Disruption Events are both more fully set out in the Conditions.

#### **4. Investment considerations associated with Securities linked to the performance of one or more Underlying References**

##### *Additional investment considerations in respect of Index Securities*

In respect of Index Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of the underlying index/indices. Such underlying index may be a well-known and widely published index or an index which may not be widely published or available. The index may reference, among other asset types, equities, bonds, currency exchange rates, or other securities or it may be a property index referencing certain property price data which will be subject to market price fluctuations, or reference a number of different assets or indices. A property index may include valuations only and not actual transactions and the property data sources used to compile the index may be subject to change.

Index Securities linked to a custom index are linked to a proprietary index which may be sponsored and/or calculated by BNP Paribas or one of its Affiliates. Pursuant to the operational rules of the relevant custom index, the custom index is scheduled to be calculated on a periodic basis (for example on each weekday). In the event that one of the levels, values or prices of a component included in the custom index is not available for any reason on a relevant day of calculation including, without limitation, (a) because such day is a non-scheduled trading day in respect of that index component or (b) that index component is subject to a market disruption, then the Calculation Agent of the custom index may, but will not be obliged to, calculate the level of the custom index on a different basis (for example by taking a value for the affected index component from the first preceding day on which a level for such affected index component was available). Such an occurrence may potentially result in a delay in the publication of the index and the level of the index may be different to the level that might have been observed had such circumstances not occurred.

Components of certain Custom Indices may be selected by and thereafter may be subject to modification, reallocation and/or rebalancing from time to time in accordance with the methodology of the index or, if an independent third party index allocation agent has been appointed pursuant to an index allocation agreement in connection with the index, in accordance with the terms of the index allocation agreement. As part of the modification, reallocation and/or rebalancing, components may be added to or removed from the Custom Index or their weights adjusted. The components which are included in the Custom Index and the weight assigned to each component may be determined either wholly or partially by reference to criteria specified in the Custom Index methodology or, if an index allocation agent has been appointed, in the index allocation agreement and/or one or more lists of assets (including, without limitation, research lists, analytical reports or "top picks" guides), which are published by a third party unconnected with the Custom Index. If an independent third party is compiling the list of assets such independent third party may exercise its discretion to determine which assets are included in such list. The methodology of the Custom Index or, if an index allocation agent has been appointed, the index allocation agreement, may apply objective filters to these lists of assets, to determine which assets are included as components in the Custom Index and their weight. The components which are derived from the list published by an independent third party or, if an index allocation agent has been appointed, the instructions of the index allocation agent may affect the performance of the Custom Index, and, correspondingly, the value of the Index Securities. Such independent third parties, including any index allocation agent, have no obligation to take into account the consequences of their actions on any Holders. None of the Issuer, the Guarantor, the Calculation Agent or any of their relevant Affiliates have any responsibility for the lists published by independent third parties or, if an index allocation agent has been appointed, the component selection, modification, reallocation and/or rebalancing instructions from the index allocation agent, any acts or omissions of the index allocation agent or any other entity appointed in connection with the Custom Index or any breach of any obligations of the index allocation agent under the index allocation agreement.

If appointed in connection with the Custom Index, the index allocation agent may select the components of the Custom Index or may give instructions for modifications, reallocations and/or rebalancings to be made from time

to time on a discretionary basis according to its qualified market opinion and in compliance with the index allocation agreement. The index allocation agent will be an independent third party that is not affiliated with entities in the Group. Entities within the Group may have other roles in relation to the Index Securities and/or have the power to make various determinations, calculations and/or adjustments and/or have interests which may be adverse to the interests of Holders in carrying out such roles and do not act as a fiduciary for any Holder, nor do they provide any advice or recommendations as to the Index Securities or any Custom Index.

If the Index specified in the Final Terms is replaced by a successor index with the same or a substantially similar method for calculating that index or the original Index Sponsor is replaced by a successor index sponsor acceptable to the Calculation Agent, the successor index or the successor index sponsor will replace the original index or original index sponsor, as applicable.

If the published level of an Index is subsequently corrected, the corrected level will be used if corrected within the prescribed period, provided that, if the corrected level is published less than three Business Days prior to a due date for payment it will be disregarded.

#### *Additional investment considerations in respect of Futures Price Valuation*

A futures transaction constitutes the contractual obligation to buy or sell a certain amount or number of the respective underlying at a fixed price and at a predetermined future point in time. Futures contracts are traded on futures exchanges and standardised for this purpose with respect to their contract size, the nature and quality of the underlying as well as delivery places and dates, if any.

In the case of Index Securities or Debt Securities where Futures Price Valuation is applicable, the Securities are exposed to a futures or options contract relating to an index (in the case of Index Securities) or a synthetic debt instrument (in the case of Debt Securities). If trading in the futures contract never commences or is permanently discontinued on or prior to a date for valuation and the relevant price for the futures contract is not available, the level of the underlying index, as applicable, shall be used for any calculation, or the Issuer may cancel or redeem, as the case may be, the Securities.

If adjustments are made to the futures contract by the relevant futures exchange, the Calculation Agent will make consequential adjustments to the Securities to account for such change. In addition, if an official settlement price of a futures contract is subsequently corrected, the corrected price will be used if it is corrected within the prescribed period, provided that, if the corrected price is published less than three Business Days prior to a due date for payment it will be disregarded.

#### *Additional investment considerations in respect of Share Securities*

In respect of Share Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of the share(s) or Stapled Shares, GDRs and/or ADRs and/or the physical delivery of a given number of share(s) or Stapled Shares, GDRs and/or ADRs.

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

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

A Potential Adjustment Event will occur in a number of scenarios more fully described in the Conditions that have a diluting or concentrative effect on the theoretical value of the share(s). The Calculation Agent may adjust the terms of the Share Securities as it determines appropriate to take account of such Potential Adjustment Event.

If the Stapled Shares become de-stapled such that one or more shares comprising the Stapled Shares may be held, owned, sold, transferred, purchased and otherwise dealt with as an individual share, the Issuer may elect to substitute the Stapled Shares with an alternative share meeting certain criteria selected by the Calculation Agent.

In addition, if the published price of a Share is subsequently corrected, the corrected price will be used if corrected within the prescribed period, provided that, if the corrected price is published less than three Business Days prior to a due date for payment it will be disregarded.

#### *Additional investment considerations in respect of ETI Securities*

In respect of ETI Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of an interest in one or more exchange traded instruments (an "**ETI Interest**"). While ETI Interests are traded on an exchange and are therefore valued in a similar manner as a share traded on an exchange, if ETI Share Provisions is specified as not applicable in the applicable Final Terms, certain provisions related to ETI Securities are similar to the provisions related to funds and Fund Securities. If ETI Share Provisions is specified as applicable in the applicable Final Terms, the provisions related to the ETI Securities will be more similar to the provisions related to shares and Share Securities.

In hedging the relevant Issuer's obligations under the ETI Securities, an entity providing such hedging (the "**Hedge Provider**") is not restricted to any particular hedging practice. Accordingly, the Hedge Provider may hedge its exposure using any method it, in its sole discretion, deems appropriate. The Hedge Provider may perform any number of different hedging practices with respect to ETI Securities without taking into account any Holder's interests.

No entity related to the ETI will have participated in the preparation of the relevant Final Terms or in establishing the terms of the ETI Securities, and none of the Issuer, the Guarantor (if applicable) or any Manager will make any investigation or enquiry in connection with such offering with respect to any information concerning any such ETI contained in such Final Terms or in the documents from which such information was extracted. Consequently, there can be no assurance that all events occurring prior to the relevant issue date (including events that would affect the accuracy or completeness of the publicly available information described in this paragraph or in any relevant Final Terms) that would affect the trading price of the interests in the exchange traded instrument will have been publicly disclosed. Subsequent disclosure of any such events or the disclosure of or failure to disclose material future events concerning such an exchange traded instrument could affect the trading price of interests in the exchange traded instruments which is observed.

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

If the published price of an ETI Interest is subsequently corrected, the corrected price will be used if corrected within the prescribed period, provided that, if the corrected price is published less than three Business Days prior to a due date for payment it will be disregarded.

#### *Additional investment considerations in respect of Debt Securities*

In respect of Debt Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the price or yield of the underlying debt instrument(s) and/or the physical delivery of a given number of debt instrument(s) and/or the Debt Securities will pay interest calculated by reference to the price or yield of the underlying debt instrument(s).

If the published reference price of a debt instrument is subsequently corrected, the corrected reference price will be used if corrected within the specified Debt Instrument Correction period, provided that, if the corrected reference price is published less than three Business Days prior to a due date for payment it will be disregarded.

Investors should be aware that if an underlying debt instrument is redeemed or cancelled by the relevant issuer of such debt instrument (for example, following an event of default under the terms of the relevant debt instrument), the Issuer may be entitled to cancel or redeem, as the case may be, the Debt Securities in accordance with the Conditions.

If Futures Price Valuation is specified as applicable in the applicable Final Terms, the Debt Securities will reference the performance of one or more debt futures or debt options contracts. Investors should refer to the "Additional investment considerations in respect of Futures Price Valuation" for details on such Debt Securities.

#### *Additional investment considerations in respect of Commodity Securities*

In respect of Commodity Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of the underlying commodity, commodity index, commodities and/or commodity indices.

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

In the case of Commodity Securities that reference one or more commodity indices if the commodity index is replaced by a successor commodity index with the same or a substantially similar method for calculating that commodity index or the original commodity index sponsor is replaced by a successor commodity index sponsor acceptable to the Calculation Agent such successor commodity index or successor commodity index sponsor will replace the original commodity index or the original commodity index sponsor, as applicable.

If the reference price of a commodity or commodity index is subsequently corrected, the corrected reference price will be used if corrected within 30 calendar days of the original publication, provided that, if the corrected level is published less than three Commodity Business Days prior to a due date for payment it will be disregarded.



If the applicable Final Terms specifies that the Commodity Securities are linked to the performance of a futures contract in respect of a commodity, the considerations described above will apply to such futures contract by reference to the underlying commodity. If the applicable Final Terms specify that the Commodity Securities are "Rolling Futures Contract Securities", the reference price of the commodity will be valued by reference to futures contracts with delivery months that do not match the Expiration Date of the Commodity Securities. The Calculation Agent will select a new futures contract on each Futures Rollover Date specified in the applicable Final Terms. If it is impossible or materially impracticable to select a new futures contract and/or hedge the Issuer's obligations in respect of the Commodity Securities, the consequences of a Market Disruption Event or a Commodity Index Adjustment Event described above will apply.

#### *Additional investment considerations in respect of Inflation Index Securities*

In respect of Inflation Index Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of the underlying inflation index/indices.

The terms of the Inflation Index Securities may be adjusted by the Calculation Agent if the Calculation Agent determines that the Index Sponsor fails to publish or announce the level of an inflation index. The Calculation Agent will determine a substitute level for the relevant inflation index by reference to (a) a related bond specified in the Final Terms or (b) a formula that calculates the level of the relevant inflation index based on previously available levels. If publication of the level of the relevant inflation index is disrupted or discontinued or the inflation index is cancelled, the Calculation Agent may determine a successor inflation index. The Calculation Agent may further adjust the terms of the Inflation Index Securities to take account of such substitute level or substitute inflation index.

The Calculation Agent may also make adjustments to the terms of the Inflation Index Securities or the relevant level of an inflation index if (a) a published level is subsequently revised within the cut-off periods described in the Conditions, (b) there is a material change to the formula for calculating an inflation index or (c) an inflation index is rebased, provided that, if an inflation index is rebased such that the Calculation Agent is unable to make adjustments that would produce a commercially reasonable result, the Issuer may cancel or redeem, as the case may be, the Inflation Index Securities in accordance with the Conditions.

Investors should be aware that if an inflation index is cancelled (and the Calculation Agent is unable to determine a successor inflation index), either the Calculation Agent will calculate the level of the inflation index or the Issuer may cancel or redeem, as the case may be, the Inflation Index Securities in accordance with the Conditions.

#### *Additional investment considerations in respect of Currency Securities*

In respect of Currency Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of the currency/currencies and/or the physical delivery of a given amount of a currency or currencies. Currency Securities reference the performance of an exchange rate between a base currency and one or more subject currencies.

#### *Additional investment considerations in respect of Fund Securities*

In respect of Fund Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of fund shares or units in one or more funds (including hedge funds, mutual funds or private equity funds) (each a "**Fund**"), the level of a fund index comprised of such fund shares or units and/or the physical delivery of a given number of fund shares or units. The value of fund shares or units or the level of a fund index may be affected by the performance of the fund service providers, and in particular the investment adviser (each a "**Fund Service Provider**").

Funds may trade and invest in a broad range of investments and financial instruments using sophisticated investment techniques. None of the relevant Issuer, the Guarantor (if any) or the Calculation Agent have any control over investments made by a Fund and therefore in no way guarantee the performance of a Fund. Funds may often be illiquid and may only be traded on a monthly, quarterly or even less frequent basis. The trading strategies of Funds are often opaque. Funds, as well as the markets and instruments in which they invest, are often not subject to review by governmental authorities, self-regulatory organisations or other supervisory authorities.

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

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

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

#### *Additional investment considerations in respect of Futures Securities*

In respect of Futures Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of one or more futures contracts.

In the event that the terms of a futures contract are changed or modified by the relevant futures exchange, the Calculation Agent will make the appropriate adjustment, if any, to the terms of the Futures Securities to account for such change or modification.

In addition, if the Official Settlement Price of a futures contract is subsequently corrected, the corrected price will be used if it is corrected within the prescribed period, provided that, if the corrected price is published less than three Exchange Business Days prior to a due date for payment or delivery under the Securities it will be disregarded.

If the Futures Securities are specified as being Rolling Futures Contract Securities in the applicable Final Terms, Holders should also refer to "*Additional investment considerations in respect of Rolling Futures Contract Securities*" below.

#### *Additional investment considerations in respect of Listed Option Securities*

In respect of Listed Option Securities, a Holder will receive an amount (if any) on redemption or exercise, as the case may be, determined by reference to the value of one or more listed option contracts.

In the event that the terms of a Listed Option Contract are changed or modified by the relevant exchange, the Calculation Agent will make the equivalent adjustments to the terms of the Listed Option Securities to account for such change or modification. A Non-Availability of a Listed Option Contract Price will occur if there is no Official Settlement Price of the relevant listed option contract, subject to the occurrence of a Non-Commencement or Discontinuance of a Listed Option Contract. A Non-Commencement or Discontinuance of a Listed Option Contract will occur if there is no Official Settlement Price of the relevant listed option contract as a result of the fact that trading in such listed option contract never commences or is permanently discontinued. Upon the occurrence of a Non-Availability of a Listed Option Contract Price, the Calculation Agent may determinate the Official Settlement Price using its good faith estimate of the daily or final (as applicable) settlement price of such listed option contract. Upon (i) the occurrence of a Non-Availability of a Listed Option Contract Price on any relevant date that is the expiry date of the relevant listed option contract or (ii) a Non-Commencement or Discontinuance of a Listed Option Contract, the Calculation Agent may substitute the listed option contract for a substitute listed option contract (if applicable) or the Issuer may cancel or redeem, as the case may be, the Listed Option Securities in accordance with the Conditions.

In addition, if the published price of an official settlement price is subsequently corrected, the corrected price will be used if it is corrected within the prescribed period, provided that, if the corrected price is published less than three Business Days prior to a due date for payment it will be disregarded.

#### *Additional investment considerations in respect of Rolling Futures Contract Securities*

Futures contracts have a predetermined expiration date. Holding a futures contract until expiration will result in delivery of the physical underlying or the requirement to make or receive a cash settlement amount. Rolling Futures Contract Securities are valued by reference to futures contracts that have a delivery or expiry month that do not correspond with the term of the Securities. Consequently the futures contracts are "rolled" which means that the futures contract that is nearing expiration is sold before it expires and a futures contract that has an expiration date further in the future is purchased, thus maintaining ongoing exposure to such underlying futures contracts throughout the term of the Securities. The Calculation Agent will select a new futures contract on each Futures Rollover Date specified in the applicable Final Terms. If it is impossible or materially impracticable to select a new futures contract and/or hedge the Issuer's obligations in respect of the Securities on the Futures Rollover Date, the Issuer may cancel or redeem, as the case may be, the Securities in accordance with the Conditions.

### **5. Investment considerations associated with Securities denominated in Renminbi**

Investors may be required to provide certification and other information (including Renminbi account information) to be allowed to receive payments in Renminbi in accordance with the Renminbi clearing and settlement system for participating banks in the CNY Settlement Centre(s).

All Renminbi payments to investors in the Securities will be made solely (i) for so long as the Securities are represented by a Global Security held with a common depositary for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in the CNY Settlement Centre(s) in accordance with prevailing Euroclear and/or Clearstream, Luxembourg rules and procedures or (ii) for so long as the Securities are in definitive form, by transfer to a Renminbi bank account maintained in the CNY Settlement Centre(s) in accordance with prevailing rules and regulations. The relevant Issuer will not be required to make payment by any other means (including in any other currency or in bank notes, by cheque or draft or by transfer to a bank account in the People's Republic of China).

## **RESPONSIBILITY STATEMENT**

Each of BNPP B.V. (in respect of itself) and BNPP (in respect of itself and BNPP B.V.) accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of BNPP B.V. and BNPP (who have taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information.

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

The applicable Final Terms will (if applicable) specify the nature of the responsibility taken by the relevant Issuer and, if applicable, the Guarantor for the information relating to the underlying asset, index or other item(s) to which the Securities relate, which is contained in such Final Terms.

## DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Base Prospectus and that have been filed with the Luxembourg Stock Exchange and shall be incorporated in, and form part of, this Base Prospectus:

- (a) The terms and conditions of the Warrants contained in the base prospectus (the "**2005 Base Prospectus**") of BNPP and BNPP B.V. dated 18 October 2005 (the "**2005 Warrant Conditions**"), the terms and conditions of the Warrants contained in the base prospectus (the "**January 2006 Base Prospectus**") of BNPP and BNPP B.V. dated 18 January 2006 (the "**January 2006 Warrant Conditions**"), the terms and conditions of the Warrants contained in the base prospectus (the "**June 2006 Base Prospectus**") of BNPP and BNPP B.V. dated 21 June 2006 (the "**June 2006 Warrant Conditions**"), the terms and conditions contained in the supplement (the "**2006 Supplement**") to the June 2006 Base Prospectus dated 21 December 2006 (the "**December 2006 Warrant Conditions**"), the terms and conditions of the Warrants contained in the supplement (the "**2007 Supplement**") to the June 2006 Base Prospectus dated 1 March 2007 (the "**March 2007 Warrant Conditions**"), the terms and conditions of the Warrants contained in the base prospectus (the "**2007 Base Prospectus**") of BNPP and BNPP B.V. dated 30 May 2007 (the "**May 2007 Warrant Conditions**"), the terms and conditions of the Warrants contained in the base prospectus (the "**2008 Base Prospectus**") of BNPP and BNPP B.V. dated 30 May 2008 (the "**May 2008 Warrant Conditions**"), the terms and conditions of the Warrants contained in the supplement (the "**2008 Supplement**") to the May 2008 Warrant Conditions dated 14 August 2008 (the "**August 2008 Warrant Conditions**"), the terms and conditions of the Warrants contained in the base prospectus (the "**2009 Base Prospectus**") of BNPP and BNPP B.V. dated 4 June 2009 (the "**June 2009 Warrant Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2010 Base Prospectus**") of BNPP and BNPP B.V. dated 3 June 2010 (the "**June 2010 Securities Conditions**"), the terms and conditions of the Securities contained in the supplement (the "**2011 Supplement**") to the June 2010 Base Prospectus dated 24 March 2011 (the "**March 2011 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2011 Base Prospectus**") of BNPP and BNPP B.V. dated 7 June 2011 (the "**June 2011 Securities Conditions**"), the terms and conditions of the Securities contained in the supplement (the "**September 2011 Supplement**") to the June 2011 Base Prospectus dated 14 September 2011 (the "**September 2011 Securities Conditions**") and the terms and conditions of the Securities contained in the supplement (the "**April 2012 Supplement**") to the June 2011 Base Prospectus dated 4 April 2012 (the "**April 2012 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2012 Base Prospectus**") of BNPP and BNPP B.V. dated 1 June 2012 (the "**2012 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2013 Base Prospectus**") of BNPP and BNPP B.V. dated 5 June 2013 (the "**2013 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2014 Base Prospectus**") of BNPP and BNPP B.V. dated 6 June 2014 (the "**2014 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2015 Base Prospectus**") of BNPP and BNPP B.V. dated 10 June 2015 (the "**2015 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2016 Base Prospectus**") of BNPP and BNPP B.V. dated 10 June 2016 (the "**2016 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2017 Base Prospectus**") of BNPP and BNPP B.V. dated 9 June 2017 (the "**2017 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2018 Base Prospectus**") of BNPP and BNPP B.V. dated 8 June 2018 (the "**2018 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2019 Base Prospectus**") of BNPP and BNPP B.V. dated 6 June 2019 (the "**2019 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2020 Base Prospectus**") of BNPP and BNPP B.V. dated 5 June 2020 (the "**2020 Securities Conditions**") and the terms and

conditions of the Securities contained in the supplement (the "**December 2020 Supplement**") to the 2020 Base Prospectus dated 1 December 2020 (the "**December 2020 Securities Conditions**"), the terms and conditions of the Securities contained in the base prospectus (the "**2021 Base Prospectus**") of BNPP and BNPP B.V. dated 4 June 2021 (the "**2021 Securities Conditions**") and the terms and conditions of the Securities contained in the base prospectus prospectus (the "**2022 Base Prospectus**") of BNPP and BNPP B.V. dated 1 June 2022 (the "**2022 Securities Conditions**" and together with the 2005 Warrant Conditions, the January 2006 Warrant Conditions, the June 2006 Warrant Conditions, the December 2006 Warrant Conditions, the March 2007 Warrant Conditions, the May 2007 Warrant Conditions, the May 2008 Warrant Conditions, the August 2008 Warrant Conditions, the June 2009 Warrant Conditions, the June 2010 Securities Conditions, the June 2011 Securities Conditions, the September 2011 Securities Conditions, the April 2012 Securities Conditions, the 2012 Securities Conditions, the 2013 Securities Conditions, the 2014 Securities Conditions, the 2015 Securities Conditions, the 2016 Securities Conditions, the 2017 Securities Conditions, the 2018 Securities Conditions, the 2019 Securities Conditions, the 2020 Securities Conditions, the December 2020 Securities Conditions and the 2021 Securities Conditions, the "**Warrant Previous Conditions**");

- (b) the terms and conditions of the Certificates contained in the 2005 Base Prospectus (the "**2005 Certificate Conditions**"), the terms and conditions of the Certificates contained in the January 2006 Base Prospectus (the "**January 2006 Certificate Conditions**"), the terms and conditions of the Certificates contained in the June 2006 Base Prospectus (the "**June 2006 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2006 Supplement (the "**December 2006 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2007 Supplement (the "**March 2007 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2007 Base Prospectus (the "**May 2007 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2008 Base Prospectus (the "**May 2008 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2008 Supplement (the "**August 2008 Certificate Conditions**"), the terms and conditions of the Certificates contained in the 2009 Base Prospectus (the "**June 2009 Certificate Conditions**") and the terms and conditions of the Securities contained in the 2022 Base Prospectus (the "**June 2022 Certificate Conditions**" and together with the 2005 Certificate Conditions, the January 2006 Certificate Conditions, the June 2006 Certificate Conditions, the December 2006 Certificate Conditions, the March 2007 Certificate Conditions, the May 2007 Certificate Conditions, the May 2008 Certificate Conditions, the August 2008 Certificate Conditions and the June 2009 Certificate Conditions, the "**Certificate Previous Conditions**");
- (c) the final terms for each offer made in Switzerland under the Base Prospectus extending beyond the validity of the 2022 Base Prospectus ("**Offers in Switzerland Extending Beyond the Validity of the 2022 Base Prospectus**");
- (d) the statutory annual reports for 2021 (the "**2021 BNPP B.V. Annual Report**") and 2022 (the "**2022 BNPP B.V. Annual Report**") which include, respectively, the audited annual non-consolidated financial statements of BNPP B.V. as at, and for the years ended, 31 December 2021 and 31 December 2022 (the "**BNPP B.V. 2021 Financial Statements**" and the "**BNPP B.V. 2022 Financial Statements**" respectively) and the respective auditors' reports thereon;
- (e) BNPP's *Document d'Enregistrement Universel au 31 décembre 2021 et rapport financier annuel* in English including the consolidated financial statements for the year ended 31 December 2021 and the statutory auditors' report thereon, other than the sections entitled "Person Responsible for the Universal Registration Document" and the "Table of Concordance", with filing number D.22-0156 (the "**BNPP 2021 Universal Registration Document (in English)**");

- (f) BNPP's *Document d'Enregistrement Universel au 31 décembre 2022 et rapport financier annuel* in English, including the consolidated financial statements for the year ended 31 December 2022 and the statutory auditors' report thereon, other than the sections entitled "Person Responsible for the Universal Registration Document" and the "Table of Concordance", with filing number D.23-0143 (the "**BNPP 2022 Universal Registration Document (in English)**"); and
- (g) the first *Amendement au Document d'Enregistrement Universel 2022* (in English), other than the sections entitled "Person Responsible for the Universal Registration Document" and the "Table of Concordance", with filing number D.23-0143-A01 (the "**First Amendment to the BNPP 2022 Universal Registration Document (in English)**"),

save that any statement contained herein or in a document all or the relevant portion of which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that such statement contained in any such subsequent document all or the relative portion of which is or is deemed to be incorporated by reference herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

*Any non-incorporated parts of a document referred to herein (which, for the avoidance of doubt, means any parts not listed in the cross-reference list below) are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.*

The information incorporated by reference above is available as follows:

Information Incorporated by Reference	Reference
<b>BNP PARIBAS/BNP PARIBAS ISSUANCE B.V.</b>	
<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>	
<b><i>Warrant Previous Conditions</i></b>	
2005 Warrant Conditions	Pages 42 to 93 of the 2005 Base Prospectus
January 2006 Warrant Conditions	Pages 55 to 109 of the January 2006 Base Prospectus
June 2006 Warrant Conditions	Pages 49 to 117 of the June 2006 Base Prospectus
December 2006 Warrant Conditions	Pages 2 to 10 of the 2006 Supplement
March 2007 Warrant Conditions	Pages 3 to 12 of the 2007 Supplement
May 2007 Warrant Conditions	Pages 55 to 144 of the 2007 Base Prospectus
May 2008 Warrant Conditions	Pages 68 to 181 of the 2008 Base Prospectus
August 2008 Warrant Conditions	Pages 45 to 158 of the 2008 Supplement
June 2009 Warrant Conditions	Pages 87 to 215 of the 2009 Base Prospectus
June 2010 Securities Conditions	Pages 130 to 235 of the 2010 Base Prospectus
March 2011 Securities Conditions	Pages 20 to 54 of the 2011 Supplement
June 2011 Securities Conditions	Pages 138 to 461 of the 2011 Base Prospectus
September 2011 Securities Conditions	Pages 2 to 3 of the September 2011 Supplement
April 2012 Securities Conditions	Pages 4 to 6 of the April 2012 Supplement
June 2012 Securities Conditions	Pages 152 to 492 of the 2012 Base Prospectus
2013 Securities Conditions	Pages 140 to 487 of the 2013 Base Prospectus
2014 Securities Conditions	Pages 141 to 488 of the 2014 Base Prospectus
2015 Securities Conditions	Pages 147 to 494 of the 2015 Base Prospectus
2016 Securities Conditions	Pages 167 to 514 of the 2016 Base Prospectus
2017 Securities Conditions	Pages 176 to 523 of the 2017 Base Prospectus
2018 Securities Conditions	Pages 183 to 547 of the 2018 Base Prospectus
2019 Securities Conditions	Pages 184 to 569 of the 2019 Base Prospectus
2020 Securities Conditions	Pages 178 to 578 of the 2020 Base Prospectus

December 2020 Securities Conditions	Page 124 of the December 2020 Supplement
2021 Securities Conditions	Pages 207 to 628 of the 2021 Base Prospectus
2022 Securities Conditions	Pages 208 to 647 of the 2022 Base Prospectus
<b>Certificate Previous Conditions</b>	
<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx">https://rates-globalmarkets.bnpparibas.com/gm/Public/LegalDocs.aspx</a>	
2005 Certificate Conditions	Pages 94 to 135 of the 2005 Base Prospectus
January 2006 Certificate Conditions	Pages 110 to 154 of the January 2006 Base Prospectus
June 2006 Certificate Conditions	Pages 143 to 214 of the June 2006 Base Prospectus
December 2006 Certificate Conditions	Page 2 of the 2006 Supplement
March 2007 Certificate Conditions	Pages 13 to 21 of the 2007 Supplement
May 2007 Certificate Conditions	Pages 171 to 254 of the 2007 Base Prospectus
May 2008 Certificate Conditions	Pages 226 to 388 of the 2008 Base Prospectus
August 2008 Certificate Conditions	Pages 207 to 369 of the 2008 Supplement
June 2009 Certificate Conditions	Pages 284 to 471 of the 2009 Base Prospectus
June 2022 Certificate Conditions	Pages 208 to 647 of the 2022 Base Prospectus
<b>BNP PARIBAS</b>	
<b>BNPP 2021 UNIVERSAL REGISTRATION DOCUMENT (IN ENGLISH)</b>	
<a href="https://invest.bnpparibas/en/groupe-de-document/universal-registration-document-and-annual-financial-report-2021">https://invest.bnpparibas/en/groupe-de-document/universal-registration-document-and-annual-financial-report-2021</a>	
<b>2021 FINANCIAL STATEMENTS</b>	
Profit and loss account for the year ended 31 December 2021	Page 180 of the BNPP 2021 Universal Registration Document (in English)
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 181 of the BNPP 2021 Universal Registration Document (in English)
Balance sheet at 31 December 2021	Page 182 of the BNPP 2021 Universal Registration Document (in English)
Cash flow statement for the year ended 31 December 2021	Page 183 of the BNPP 2021 Universal Registration Document (in English)
Statement of changes in shareholders' equity between 1 January 2021 and 31 December 2021	Pages 184 and 185 of the BNPP 2021 Universal Registration Document (in English)
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 186 to 290 of the BNPP 2021 Universal Registration Document (in English)
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2021	Pages 291 to 296 of the BNPP 2020 Universal Registration Document (in English)
<b>BNPP 2022 UNIVERSAL REGISTRATION DOCUMENT (IN ENGLISH)</b>	
<a href="https://invest.bnpparibas/en/document/universal-registration-document-2022">https://invest.bnpparibas/en/document/universal-registration-document-2022</a>	



<b>2. Statutory auditors</b>	Page 742 of the BNPP 2022 Universal Registration Document (in English)
<b>3. Risk factors</b>	Pages 315 to 330 of the BNPP 2022 Universal Registration Document (in English)
<b>4. Information about the Issuer</b>	Pages 4 to 6 and 751 to 753 of the BNPP 2022 Universal Registration Document (in English)
<b>5. Business overview</b>	
5.1 Principal activities	Pages 7 to 19, 223 to 226 and 726 to 732 of the BNPP 2022 Universal Registration Document (in English)
5.2 Principal markets	Pages 7 to 19, 223 to 226 and 726 to 732 of the BNPP 2022 Universal Registration Document (in English)
5.3 History and development of the Issuer	Page 6 of the BNPP 2022 Universal Registration Document (in English)
5.4 Strategy and objectives	Pages 153 to 156, 626 to 627, 686 to 687 and 703 of the BNPP 2022 Universal Registration Document (in English)
5.5 Possible dependency	Page 724 of the BNPP 2022 Universal Registration Document (in English)
5.6 Basis for any statements made by the Issuer regarding its competitive position	Pages 7 to 19 and 128 to 144 of the BNPP 2022 Universal Registration Document (in English)
5.7 Investments	Pages 274 to 275, 612, 672 to 673 and 725 of the BNPP 2022 Universal Registration Document (in English)
<b>6. Organisational structure</b>	
6.1 Brief description	Pages 4 and 686 to 687 of the BNPP 2022 Universal Registration Document (in English)
6.2 List of significant subsidiaries	Pages 287 to 295, 604 to 611 and 726 to 731 of the BNPP 2022 Universal Registration Document (in English)
<b>7. Operating and financial review</b>	
7.1 Financial situation	Pages 156, 176, 178 and 574 to 575 of the BNPP 2022 Universal Registration Document (in English)

7.2	Operating results	Pages 128 to 144, 151 to 152, 159 to 165, 176, 224 and 574 of the BNPP 2022 Universal Registration Document (in English)
<b>8.</b>	<b>Capital resources</b>	
8.1	Issuer's capital resources	Pages 180 to 181 and 599 of the BNPP 2022 Universal Registration Document (in English)
8.2	Sources and amounts of cash flows	Page 179 of the BNPP 2022 Universal Registration Document (in English)
8.3	Borrowing requirements and funding structure	Pages 156 and 502 to 519 of the BNPP 2022 Universal Registration Document (in English)
<b>9.</b>	<b>Regulatory environment</b>	Pages 305 and 313 to 314 of the BNPP 2022 Universal Registration Document (in English)
<b>10.</b>	<b>Trend information</b>	
10.1	Main recent trends	Pages 153 to 156 and 725 of the BNPP 2022 Universal Registration Document (in English)
10.2	Trends likely to have a material impact on the Issuer's outlook	Pages 153 to 156 and 725 of the BNPP 2022 Universal Registration Document (in English)
<b>11.</b>	<b>Profit forecasts or estimates</b>	N/A
<b>12.</b>	<b>Administrative, management, and supervisory bodies, and senior management</b>	
12.1	Administrative and management bodies	Pages 35 to 48 and 110 of the BNPP 2022 Universal Registration Document (in English)
12.2	Administrative and management bodies' conflicts of interest	Pages 53 to 54, 67 to 68 and 78 to 106 of the BNPP 2022 Universal Registration Document (in English)
<b>13.</b>	<b>Remuneration and benefits</b>	
13.1	Amount of remuneration paid and benefits in kind granted	Pages 78 to 106, 262 to 270 and 283 to 284 of the BNPP 2022 Universal Registration Document (in English)
13.2	Total amounts set aside or accrued by the Issuer or its subsidiaries to provide pension, retirement, or similar benefits	Pages 78 to 106, 262 to 270 and 283 to 284 of the BNPP 2022 Universal Registration Document (in English)

<b>14. Board practices</b>	
14.1 Date of expiry of the current terms of office	Pages 35 to 47 of the BNPP 2022 Universal Registration Document (in English)
14.2 Information about members of the administrative bodies' service contracts with the Issuer	N/A
14.3 Information about the audit committee and remuneration committee	Pages 56 to 63 of the BNPP 2022 Universal Registration Document (in English)
14.4 Corporate governance regime in force in the Issuer's country of incorporation	Pages 49 to 56 of the BNPP 2022 Universal Registration Document (in English)
14.5 Potential material impacts on the corporate governance	Pages 35 to 47 of the BNPP 2022 Universal Registration Document (in English)
<b>15. Employees</b>	
15.1 Number of employees	Pages 4, 653 to 654 and 686 of the BNPP 2022 Universal Registration Document (in English)
15.2 Shareholdings and stock options	Pages 78 to 106, 208 to 209 and 660 to 661 of the BNPP 2022 Universal Registration Document (in English)
15.3 Information about members of the administrative bodies' service contracts with the Issuer	N/A
<b>16. Major shareholders</b>	
16.1 Shareholders owning more than 5% of the Issuer's capital or voting rights	Pages 20 and 21 of the BNPP 2022 Universal Registration Document (in English)
16.2 Existence of different voting rights	Page 20 of the BNPP 2022 Universal Registration Document (in English)
16.3 Control of the Issuer	Pages 20 and 21 of the BNPP 2022 Universal Registration Document (in English)
16.4 Description of any arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change of control of the Issuer	Page 21 of the BNPP 2022 Universal Registration Document (in English)

<b>17. Related party transactions</b>	Pages 78 to 106, 284 to 285 and 738 to 739 of the BNPP 2022 Universal Registration Document (in English)
<b>18. Financial information concerning the Issuer's assets and liabilities, financial position, and profits and losses</b>	
18.1 Historical financial information	Pages 5, 24, 128 to 296 and 574 to 612 of the BNPP 2022 Universal Registration Document (in English)
18.2 Interim and other financial information	N/A
18.3 Auditing of historical annual financial information	Pages 297 to 302 and 613 to 618 of the BNPP 2022 Universal Registration Document (in English)
18.4 Pro forma financial information	N/A
18.5 Dividend policy	Pages 24, 27 to 28, 156 and 602 of the BNPP 2022 Universal Registration Document (in English)
18.6 Legal and arbitration proceedings	Pages 273 to 274 of the BNPP 2022 Universal Registration Document (in English)
18.7 Significant change in the Issuer's financial or trading position	Page 725 of the BNPP 2022 Universal Registration Document (in English)
<b>19. Additional information</b>	
19.1 Share capital	Pages 20, 271 to 273, 593 to 595, 733 and 760 of the BNPP 2022 Universal Registration Document (in English)
19.2 Memorandum and articles of association	Pages 733 to 738 of the BNPP 2022 Universal Registration Document (in English)
<b>20. Material contracts</b>	Page 724 of the BNPP 2022 Universal Registration Document (in English)
<b>21. Documents on display</b>	Page 724 of the BNPP 2022 Universal Registration Document (in English)
<b>2022 FINANCIAL STATEMENTS</b>	
Profit and loss account for the year ended 31 December 2022	Page 176 of the BNPP 2022 Universal Registration Document (in English)
Statement of net income and changes in assets and liabilities recognised directly in equity	Page 177 of the BNPP 2022 Universal Registration Document (in English)

Balance sheet at 31 December 2022	Page 178 of the BNPP 2022 Universal Registration Document (in English)
Cash flow statement for the year ended 31 December 2022	Page 179 of the BNPP 2022 Universal Registration Document (in English)
Statement of changes in shareholders' equity between 1 January 2022 and 31 December 2022	Pages 180 and 181 of the BNPP 2022 Universal Registration Document (in English)
Notes to the financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union	Pages 182 to 296 of the BNPP 2022 Universal Registration Document (in English)
Statutory Auditors' report on the Consolidated Financial Statements of BNP Paribas for the year ended 31 December 2022	Pages 297 to 302 of the BNPP 2022 Universal Registration Document (in English)
<b><i>FIRST AMENDMENT TO THE BNPP 2022 UNIVERSAL REGISTRATION DOCUMENT (IN ENGLISH)</i></b>	
<a href="https://invest.bnpparibas/en/document/1st-amendment-to-the-2022-universal-registration-document">https://invest.bnpparibas/en/document/1st-amendment-to-the-2022-universal-registration-document</a>	
<b>2. Statutory auditors</b>	Page 109 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>3. Risk factors</b>	Page 122 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>7. Operating and financial review</b>	
7.1 Financial situation	Pages 3 to 71 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
7.2 Operating results	Pages 59 to 71 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>8. Capital resources</b>	
8.1 Issuer's capital resources	Pages 50 to 52, 56 to 58, and 75 to 82 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
8.3 Borrowing requirements and funding structure	Page 16 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>10. Trend information</b>	
10.1 Main recent trends	Page 84 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)

10.2	Trends likely to have a material impact on the Issuer's outlook	Page 84 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>13.</b>	<b>Remuneration and benefits</b>	
13.1	Amount of remuneration paid and benefits in kind granted	Pages 86 to 108 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
13.2	Total amounts set aside or accrued by the Issuer or its subsidiaries to provide pension, retirement, or similar benefits	Pages 86 to 108 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>18.</b>	<b>Financial information concerning the Issuer's assets and liabilities, financial position, and profits and losses</b>	
18.1	Historical financial information	Pages 59 to 71 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
18.2	Interim and other financial information	Pages 59 to 71 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
18.6	Legal and arbitration proceedings	Pages 84 and 85 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
18.6.1	Information on any governmental, legal, or arbitration proceedings during a period covering at least the previous 12 months	Pages 84 and 85 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
18.7	Significant change in the Issuer's financial or trading position	Page 84 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>21.</b>	<b>Documents on display</b>	Page 84 of the First Amendment to the BNPP 2022 Universal Registration Document (in English)
<b>BNP PARIBAS ISSUANCE B.V.</b>		
<b>2021 BNPP B.V. Annual Report</b>		
<a href="https://rates-globalmarkets.bnpparibas.com/gm/Public/AlfrescoResource.aspx?path=%2F/Legal%20Docs/index_files/2021_BNPP_Issuance_BV_initialled_final_Annual_Report_2021.pdf">https://rates-globalmarkets.bnpparibas.com/gm/Public/AlfrescoResource.aspx?path=%2F/Legal%20Docs/index_files/2021_BNPP_Issuance_BV_initialled_final_Annual_Report_2021.pdf</a>		
Management Board Report		Pages 3 to 4 of the 2021 BNPP B.V. Annual Report
Balance Sheet at 31 December 2021		Page 5 of the 2021 BNPP B.V. Annual Report
Profit and loss account for the year ended 31 December 2021		Page 6 of the 2021 BNPP B.V. Annual Report
Cash flow Statement for the year ended 31 December 2021		Page 7 of the 2021 BNPP B.V. Annual Report
Notes to the financial statements		Pages 8 to 13 of the 2021 BNPP B.V. Annual Report
Statutory arrangements concerning the appropriation of profits		Page 15 of the 2021 BNPP B.V. Annual Report
Independent Auditor's Report for the year ended 31 December 2021		Pages 16 to 22 of the 2021 BNPP B.V. Annual Report

<b>2022 BNPP B.V. Annual Report</b>	
<a href="https://rates-globalmarkets.bnpparibas.com/documents/legaldocs/index_files/BNPParibasIssuanceBVIFRSFinancialStatements2022.pdf">https://rates-globalmarkets.bnpparibas.com/documents/legaldocs/index_files/BNPParibasIssuanceBVIFRSFinancialStatements2022.pdf</a>	
Management Board Report	Pages 3 to 5 of the 2022 BNPP B.V. Annual Report
Balance sheet at 31 December 2022	Page 6-7 of the 2022 BNPP B.V. Annual Report
Income statement for the year ended 31 December 2022	Page 7 of the 2022 BNPP B.V. Annual Report
Statement of comprehensive income	Page 7 of the 2022 BNPP B.V. Annual Report
Statement of changes in equity	Page 8 of the 2022 BNPP B.V. Annual Report
Statement of cash flows at 31 December 2022	Page 9 of the 2022 BNPP B.V. Annual Report
Notes to the financial statements	Pages 10 to 35 of the 2022 BNPP B.V. Annual Report
Statutory arrangements concerning the appropriation of profits	Page 36 of the 2022 BNPP B.V. Annual Report
Independent Auditor's Report for the year ended 31 December 2022	Pages 37 to 43 of the 2022 BNPP B.V. Annual Report
<b>Offers in Switzerland Extending Beyond the Validity of the 2022 Base Prospectus</b>	
<i>See appendix entitled "Offers in Switzerland Extending Beyond the Validity of the 2022 Base"</i>	

Information contained in the documents incorporated by reference other than information listed in the tables above is for information purposes only.

In addition to the above, the following documents published or issued from time to time after the date of this Base Prospectus shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- (a) the most recently published audited annual non-consolidated financial statements of BNPP B.V. together with the respective auditors' reports thereon being available as part of the most recently published statutory annual report of BNPP B.V. and, if published later, the interim financial statements of BNPP B.V.;
- (b) the most recently published unaudited semi-annual interim consolidated financial statements, the most recently published audited annual consolidated financial statements together with the respective statutory auditors' reports thereon, as contained in BNPP's most recently published *document de référence et rapport financier annuel* in English and quarterly financial results of BNPP; and
- (c) all supplements or amendments to this Base Prospectus circulated by the Issuer and/or the Guarantor from time to time.

Each Issuer will provide, free of charge, to each person to whom a copy of this Base Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference and such documents will be available free of charge during normal business hours from the specified office of the Luxembourg Listing Agent and will be published on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)) other than the Registration Documents and each amendment thereto incorporated by reference in (d) to (g) above which will only be made available by BNPP.

The Issuer will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Securities, prepare a supplement in accordance with of Part 2/Chapter 2/point 206 of the rules and regulations of the Luxembourg Stock Exchange (the "ROI") or publish a new Prospectus for use in connection with any subsequent issue of Securities.

**APPENDIX – OFFERS IN SWITZERLAND EXTENDING BEYOND THE VALIDITY OF THE 2022  
BASE PROSPECTUS**

XS2515890890  
XS2515889884  
XS2515889611  
XS2515888134  
XS2515886518  
XS2515885627  
XS2515883846  
XS2515141518  
XS2515165962  
XS2515123292  
XS2515120868  
XS2506530000  
XS2442386459  
XS2442386533  
XS2442386376  
XS2516229221  
XS2440481963  
XS2491760521  
XS2515156979  
XS2260031856  
XS2260032078  
XS2260032409  
XS2354882487  
CE23041CAW  
CE30682JAV  
CE27791MBG  
CE65742CBL  
CE27774MBG  
CE14628CAK  
CE23037CAW  
CE30607JAV  
CE16523JAV  
CE22901CAW  
CE22902CAW  
CE22691CAW  
CE18254CAW  
CE18253CAW  
CE18252CAW  
CE0972EAR  
CE1831NBO  
CE1844NBO  
CE1044EAR  
CE4262JAX  
CE4263JAX  
CE4264JAX  
CE8336CAK



## GENERAL DESCRIPTION OF THE PROGRAMME

<b>Issuers</b>	BNP Paribas Issuance B.V. (" <b>BNPP B.V.</b> ")  BNP Paribas (" <b>BNPP</b> " or the " <b>Bank</b> " and, together with its consolidated subsidiaries, the " <b>Group</b> " or " <b>BNP Paribas Group</b> ")
<b>Guarantor</b>	BNP Paribas
<b>Description of the Programme</b>	Warrant and Certificate Programme
<b>Securities</b>	Securities may be issued as Index Securities, Share Securities, ETI Securities, Debt Securities, Commodity Securities, Inflation Index Securities, Currency Securities, Fund Securities, Credit Securities, Futures Securities, Listed Option Securities, Preference Share Certificates or open end turbo Certificates which will be redeemed on a date determined by the Issuer, in its sole and absolute discretion, subject as provided herein (" <b>OET Certificates</b> "), or any other or further type of warrants or certificates including Hybrid Securities where the Underlying Reference may be any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, inflation indices, currencies, funds, futures contracts, listed option contracts or other asset classes or types.
<b>Taxation</b>	<p>A Holder of Securities must pay all specified expenses relating to the Securities.</p> <p>Neither the Issuer nor the Guarantor shall be liable for or otherwise obliged to pay any tax, duty, withholding or other payment which may arise as a result of the ownership, transfer, exercise or enforcement of any Security and all payments made by the relevant 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.</p>
<b>Governing Law</b>	The Securities and any related Guarantee will be governed by English, Dutch or French Law as specified in the applicable Final Terms.

## DESCRIPTION OF THE SWISS STRUCTURED PRODUCTS ASSOCIATION SWISS DERIVATIVES MAP CATEGORISATION

### Product Features

In respect of FinSA Securities, the Issuer will determine which category the relevant Securities fall into pursuant to the Swiss Derivatives Map 2023 published by Swiss Structured Products Association (the "**SSPA**") (the "**SSPA Swiss Derivatives Map**") (<https://sspa.ch/en>) depending on the particular features of the relevant Securities.

### Product Types

#### *Capital Protection Products (SSPA Category 11)*

"**Capital Protection Products**" provide for a specific minimum redemption amount. The level of the minimum redemption amount representing the level of capital protection indicates the percentage of the nominal or par value of the Capital Protection Product that the investor will be entitled to receive on the Redemption Date. The minimum redemption amount will be specified in the applicable Final Terms. The applicable Final Terms may specify that the minimum redemption amount is less than 100% of the nominal value of the Securities (partial capital protection). Capital protection therefore does not mean that the investor is entitled to an amount on redemption equal to the full nominal value of the Capital Protection Products. The potential loss is limited by the minimum redemption amount, subject to the credit risk of the Issuer and, if applicable, the Guarantor.

The product category Capital Protection Products includes the following product types:

- Capital Protection Note with Participation (SSPA Category 1100)
- Capital Protection Note with Barrier (SSPA Category 1130)
- Capital Protection Note with Twin Win (SSPA Category 1135)
- Capital Protection Note with Coupon (SSPA Category 1140)

#### *Yield Enhancement Products (SSPA Category 12)*

"**Yield Enhancement Products**" provide for a redemption amount that is limited to a maximum amount (a cap) and may provide for (fixed or variable) periodic coupon payments during the term.

The product category Yield Enhancement Products includes the following product types:

- Discount Certificate (SSPA Category 1200)
- Barrier Discount Certificate (SSPA Category 1210)
- Reverse Convertible (SSPA Category 1220)
- Barrier Reverse Convertible (SSPA Category 1230)
- Conditional Coupon Reverse Convertible (SSPA Category 1255)
- Conditional Coupon Barrier Reverse Convertible (SSPA Category 1260)

#### *Participation Products (SSPA Category 13)*

"**Participation Products**" generally track the performance of the Underlying Reference and enable investors to participate in the performance of the Underlying Reference. Depending on the structure of the Participation

Product, investors participate proportionately or disproportionately in the performance of the Underlying Reference. The return an investor may receive by investing in a Participation Product is theoretically unlimited (unless there is a cap), but there is the risk of a total loss (unless there is a partial capital protection).

The product category Participation Products includes the following product types:

- Tracker Certificate (SSPA Category 1300)
- Outperformance Certificate (SSPA Category 1310)
- Bonus Certificate (SSPA Category 1320)
- Bonus Outperformance Certificate (SSPA Category 1330)
- Twin-Win Certificate (SSPA Category 1340)

*Investment Products with Additional Credit Risk (SSPA Category 14)*

**"Investment Products with Additional Credit Risk"** have the relevant features that are described in respect of Capital Protection Products, Yield Enhancement Products or Participation Products, depending on the type of product. In addition, the performance of Investment Products with Additional Credit Risk will be affected if a defined credit event occurs in respect of a reference entity or obligation, as specified in the applicable Final Terms. If a credit event occurs in respect of a reference entity or obligation during the term of Investment Products with Additional Credit Risk, they will be redeemed at a value which may be significantly lower than their initial value, and may be as low as zero, in which case, investors will bear partial or total loss. If no credit event occurs, Investment Products with Additional Credit Risk work in the same manner as a Capital Protection Product, Yield Enhancement Product or Participation Product, as the case may be, as described above.

The product category Investment Products with Additional Credit Risk includes the following product types:

- Credit Linked Notes (SSPA Category 1400)
- Conditional Capital Protection Note with Additional Credit Risk (SSPA Category 1410)
- Yield Enhancement Certificate with Additional Credit Risk (SSPA Category 1420)
- Participation Certificate with Additional Credit Risk (SSPA Category 1430)

*Leverage Products (SSPA Category 21)*

**"Leverage Products"** are subject to a leverage effect both in the direction of profits and losses (i.e. changes in the value of the underlying have a disproportionate effect on the value of Leveraged Products compared to a direct investment in the Underlying Reference(s)). The leverage effect permits investors to use less capital compared to investing directly in the Underlying Reference.

The product category Leverage Products includes the following product types:

- Warrant (SSPA Category 2100)
- Spread Warrant (SSPA Category 2110)
- Warrant with Knock-Out (SSPA Category 2200)
- Mini-Future (SSPA Category 2210)

- Constant Leverage Certificate (SSPA Category 2300)

## **Further Products**

### *Actively Managed Certificates*

"**Actively Managed Certificates**" reference Underlying References which are actively managed at the discretion of one or more investment managers during the life of the Securities in accordance with the product specifications. In addition to any one-time fees in connection with the issuance of Actively Managed Certificates, investors may incur recurring costs embedded in the product due to active management of the Underlying References, for example, by a third party manager. Any such fees and costs will be disclosed in the applicable Final Terms.

## SECURITY AND COLLATERAL IN RESPECT OF SECURED SECURITIES

The following shall apply to Secured Securities only.

### General

Only BNPP B.V. may issue Secured Securities. In order to secure its obligations in respect of the Secured Securities, BNPP B.V. will enter into one or more pledge agreements and/or other security arrangements with, among others, BNP Paribas Trust Corporation UK Limited which will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law (each a "**Security Agreement**"). Under the Security Agreement, BNPP B.V. will grant first ranking security over securities accounts or cash accounts (each a "**Collateral Account**") held by BNPP B.V. with BNP Paribas, Succursale de Luxembourg or such other custodian or account bank as is specified for the relevant Collateral Pool in the applicable Final Terms (each a "**Collateral Custodian**") in favour of BNP Paribas Trust Corporation UK Limited (the "**Collateral Agent**") on behalf of itself and the relevant Holder. In each Collateral Account, BNPP B.V. will hold sufficient securities or cash which, upon delivery to the relevant Collateral Account, are Eligible Collateral (the "**Collateral Assets**") to secure the marked to market value of the relevant Secured Securities ("**MTM Collateralisation**") or a specified proportion of the marked to market value of the relevant Secured Securities ("**Partial MTM Collateralisation**") or alternatively (and only where the relevant Secured Securities are Certificates) to secure the nominal value of such Secured Securities ("**Nominal Value Collateralisation**") or to secure part of the nominal value of such Secured Securities ("**Partial Nominal Value Collateralisation**"). Whether or not MTM Collateralisation, Partial MTM Collateralisation, Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable to a series of Secured Securities will be specified in the applicable Final Terms. Multiple series of Secured Securities may be secured by the Collateral Assets held in a single Collateral Account (each a "**Collateral Pool**") if so specified in the relevant Final Terms.

### Adjustments to Collateral Pool where the Collateral Assets are securities

Unless specified otherwise in the applicable Final Terms, where the Collateral Assets are securities, on such periodic basis as is specified in the applicable Final Terms (each a "**Collateral Valuation Date**"), BNP Paribas Arbitrage S.N.C (or such other party specified in the applicable Final Terms) (the "**Collateral Calculation Agent**") will determine (a) the marked to market value of the Collateral Assets in a Collateral Pool (the "**Collateral Value**") and (b)(i) the sum of, in respect of each series of Secured Securities secured by the relevant Collateral Pool, the marked to market value of such Secured Securities (where MTM Collateralisation is applicable to a series of Secured Securities) or part of the marked to market value of such Secured Securities (where Partial MTM Collateralisation is applicable to a series of Secured Securities) and (ii) where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable to a series of Secured Securities, the aggregate nominal value or part of the aggregate nominal value of the relevant Secured Securities (such sum, the "**Securities Value**"). When determining the Collateral Value in respect of Collateral Assets in a Collateral Pool, the Collateral Calculation Agent may, if so specified in the applicable Final Terms, apply a "haircut" (being a percentage by which the market value of a Collateral Asset is discounted) which is designed to mitigate the depreciation in value of the relevant Collateral Asset in the period between the last valuation of the Collateral Asset and the realisation of such Collateral Asset. When determining the Securities Value on the basis of the marked to market value of the Secured Securities (or part of such marked to market value), the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or, (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the Guarantee. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date there is a difference between the Collateral Value and the applicable Securities Value, BNPP B.V. will procure that further assets are delivered to the Collateral Account (or substitute existing Collateral Assets with Collateral Assets with a greater value) if the value of the Collateral Assets is less than the Securities

Value prior to such adjustment or will be entitled to remove Collateral Assets from the Collateral Account if the Collateral Value is in excess of the Securities Value prior to such adjustment. Following such adjustment to the Collateral Assets in respect of any Collateral Valuation Date, the Collateral Value is expected to be equal to the Securities Value.

#### **Adjustments to Collateral Pool where the Collateral Asset is a cash deposit**

Where the Collateral Asset is a cash deposit, on each Collateral Valuation Date (if any) the Collateral Calculation Agent will determine only the Securities Value. When determining the Securities Value on the basis of the marked to market value of the Secured Securities (or part of such marked to market value), the Collateral Calculation Agent shall take no account of the financial condition of (a) BNPP B.V. which shall be presumed to be able to perform fully its obligations in respect of the Secured Securities or (b) the Guarantor which shall be presumed to be able to perform fully its obligations in respect of the Guarantee. Unless the applicable Final Terms specify that there will be no adjustments to the amount of Collateral Assets or that there are no Collateral Valuation Dates, in the event that on a Collateral Valuation Date there is a difference between the amount of cash standing to the credit of the Collateral Account (the "**Deposit Amount**") and the applicable Securities Value, BNPP B.V. will procure that further cash is deposited in the Collateral Account if the Deposit Amount is below the Securities Value prior to such adjustment or will be entitled to withdraw cash from the Collateral Account if the Deposit Amount is in excess of the Securities Value prior to such adjustment. Following such adjustment in respect of Collateral Assets on any Collateral Valuation Date, the Deposit Amount is expected to be equal to the Securities Value.

#### **Delivery of Collateral Assets**

In the event that BNPP B.V. is required to deliver or deposit additional Collateral Assets or alternative Collateral Assets in the Collateral Account, BNPP B.V. shall do so as soon as practicable following the relevant Collateral Valuation Date.

#### **Calculations**

The Collateral Agent will not be required to calculate or check the valuation of the relevant Secured Securities or the Collateral Assets prior to the enforcement of the Security Agreements. In connection with the distribution of the realisation proceeds from the Collateral Assets, the Collateral Agent may be required to determine the Security Termination Amount due in respect of each Secured Security and the Final Security Value in respect of such Secured Security. The Collateral Agent will determine the Final Security Value of a Secured Security on the basis of information obtained from the Collateral Calculation Agent.

The Final Terms applicable to a series of Secured Securities may specify that there are no Collateral Valuation Dates and that there will be no Collateral Calculation Agent in which case the Collateral Assets in a Collateral Pool will not be subject to adjustment as described above following their initial deposit in or delivery to the relevant Collateral Account.

#### **No collateralisation in respect of Secured Securities held by BNPP B.V. or any of its Affiliates**

There will be no collateralisation in respect of any Secured Securities beneficially owned by BNPP B.V. or any of its Affiliates. During the term of the relevant Secured Securities, where BNPP B.V. or any of its Affiliates is the beneficial owner of Secured Securities, it will not provide or hold any Collateral Assets in respect of such Secured Securities.

Following an Enforcement Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment.

## Substitutions

In the period between Collateral Valuation Dates, BNPP B.V. may withdraw Collateral Assets from any Collateral Account but only if it replaces them with alternative Collateral Assets which have at least the same marked to market value (as of the previous Collateral Valuation Date) as those being replaced (where MTM Collateralisation or Partial MTM Collateralisation is applicable) or, where Collateral Assets have been provided in an amount equal to the nominal value of the relevant Secured Securities, the same nominal amount as those being replaced (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable and where there are no Collateral Valuation Dates).

## Events of Default

The terms of the Secured Securities will contain events of default including non-payment or failure to deliver the Entitlement which is not remedied within 30 days after the relevant due date, non-performance or non-observance of the Issuer's or Guarantor's obligations in respect of the Secured Securities where such default is not remedied within 45 days after notice of such default has been given to the Principal Security Agent by any Holder and the insolvency or winding up of the Issuer or Guarantor.

## Enforcement

Upon receipt of a notice from a Holder that an Event of Default has occurred (a "**Default Notification**"), BNPP B.V. may deliver a notice to the Collateral Agent and the relevant Holder stating that, in its reasonable belief, the relevant Event of Default has not occurred (such a notice, an "**Event Dispute Notice**"). If the Collateral Agent does not receive an Event Dispute Notice at or prior to the end of the Dispute Period, the Collateral Agent will deliver a notice to, among others, BNPP B.V. and the Collateral Custodian specifying that a Default Notification has been delivered, that no Event Dispute Notice has been received from BNPP B.V. within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable (an "**Enforcement Notice**"). The Holder will receive a copy of such Enforcement Notice. Following delivery of an Enforcement Notice, the Collateral Agent will enforce the Security Agreement(s) in accordance with the terms thereof and will liquidate or realise the Collateral Assets in all the Collateral Pools, or appoint an agent to do so on its behalf, save where Physical Delivery of Collateral is specified as applicable to a series of Secured Securities, in which case the portion of the Collateral Assets held in respect of series of Secured Securities secured by the relevant Collateral Pool which are subject to Collateral Cash Settlement (if any) only will be liquidated. In accordance with the terms of the Secured Securities, the Collateral Agent will distribute the proceeds of such liquidation or realisation of a Collateral Pool to the Holder of the Secured Securities secured by such Collateral Pool where such Secured Securities are subject to Collateral Cash Settlement or, where Physical Delivery of Collateral is specified as applicable, arrange for delivery of the Collateral Assets in the relevant Collateral Pool or the portion of the Collateral Assets held in respect of series of Secured Securities which are subject to Physical Delivery of Collateral (where the Collateral Pool secures series of Secured Securities to which both Collateral Cash Settlement and Physical Delivery of Collateral applies) to the relevant Holder, in each case after payment of any costs and fees incurred in connection with the enforcement of the Security Agreement and, where applicable, after payment of any other amount which is payable in priority thereto in accordance with the applicable Priority of Payments set out in the applicable Final Terms or, as applicable, the applicable Collateral Security Conditions. The Collateral Assets in one Collateral Pool and the proceeds of enforcement from that Collateral Pool (if any) will not be available to satisfy amounts due in respect of any Secured Securities which are not secured by that Collateral Pool.

## Collateral Asset Linked Securities

Where the relevant Secured Securities are Collateral Asset Linked Securities, the paragraphs entitled "*Adjustments to Collateral Pool where the Collateral Assets are securities*" and "*Adjustments to Collateral Pool where the Collateral Asset is a cash deposit*" above will not apply.

### *Collateralisation*

In respect of the aggregate Notional Amount of any Secured Securities held by parties other than BNPP B.V. or any of its Affiliates (such Secured Securities, the "**Placed Secured Securities**") which are secured by the relevant Collateral Pool, Nominal Value Collateralisation will apply (the "**Nominal Value Collateralisation Element**").

In addition, BNPP B.V. will enter into an option with an affiliate of BNP Paribas to hedge its obligations to pay Scheduled Underlying Reference Linked Payments in respect of the Securities (the "**Option**"). The Issuer will hold in the Collateral Account sufficient MTM Adjustable Assets (not including, for the avoidance of doubt, the Reference Collateral Assets that are held in the Collateral Account to collateralise the aggregate Notional Amount of the Placed Secured Securities) to collateralise the marked-to-market value of the portion of the Option that relates to the Placed Secured Securities (the "**MTM Collateralisation Element**").

In respect of (i) the aggregate Notional Amount of the Secured Securities that are held by BNPP B.V. or any of its Affiliates and (ii) the portion of the Option that relate to Securities held by BNPP B.V. or any of its Affiliates, BNPP B.V. will hold no Collateral Assets. Following an Enforcement Event, BNPP B.V. or the Affiliate of BNPP B.V. that holds the Secured Securities shall renounce and waive all rights (including as to payment) in respect of such Securities and shall submit such Secured Securities for cancellation free of payment.

In respect of the Nominal Value Collateralisation Element, BNPP B.V. will transfer into the relevant Collateral Account on the date specified in the Final Terms (the "**Initial Posting Date**") and hold in such account on any day thereafter, an aggregate nominal amount of the Reference Collateral Assets, at least equal to the aggregate Notional Amount of the Placed Secured Securities which are secured by the relevant Collateral Pool on such date. Where BNPP B.V. or any of its Affiliates acquires Secured Securities after the Initial Posting Date, BNPP B.V. will be entitled to withdraw an aggregate nominal amount of Reference Collateral Assets equal to the aggregate Notional Amount of the Secured Securities so acquired, provided that BNPP B.V. shall always hold in the Collateral Account an aggregate nominal amount of the Reference Collateral Assets at least equal to, at any time, the aggregate Notional Amount of the Placed Secured Securities.

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

### *Enforcement*

Following the occurrence of an Event of Default, a Holder, or the Distributor acting on the instructions of a Holder, may provide a Default Notification. If the Collateral Agent does not receive an Event Dispute Notice from BNPP B.V. at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of BNPP B.V., the Principal Security Agent and the Collateral Custodian whereupon the Secured Securities shall become immediately due and payable at their Security Termination Amount (which will be equal to the marked to market value of the Option), and BNPP B.V. shall be obliged to deliver the Entitlement (which will consist of a pro rata share of the Reference Collateral Assets held by BNPP B.V. in respect of the relevant series of Collateral Asset



Linked Securities) in respect of the Secured Securities on the relevant Collateral Delivery Date without further action or formalities and the Security Interest granted under the Pledge Agreement shall become enforceable (as set out in the Pledge Agreement).

#### *Collateral Asset Default or Collateral Default Event*

BNPP B.V. shall redeem the Secured Securities as soon as reasonably practicable after the occurrence of the Collateral Asset Default or Collateral Default Event, as the case may be, by (a) delivering the Reference Collateral Assets in the relevant Collateral Pool to the Holder of the Secured Securities secured by such Reference Collateral Assets and (b) payment to the Holder of Secured Securities of an amount in the Settlement Currency equal to the *pro rata* share applicable to each relevant Placed Secured Security of the marked to market value, on the Collateral Asset Default Determination Date, of the portion of the Option which relates to the Placed Secured Securities, as determined by the Calculation Agent.

#### **Acquisition of Collateral Assets**

BNPP B.V. may acquire the Collateral Assets in a number of ways including by entering into repurchase agreements or swap agreements or any other agreements with BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of the Issuer or such other entities as it deems appropriate from time to time.

#### *Swap Agreement*

In connection with one or more series of Secured Securities, BNPP B.V. may enter into a swap agreement with a counterparty which may be BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of BNPP B.V. or such other entities as it deems appropriate from time to time (the "**Swap Counterparty**") evidenced by a 1992 ISDA Master Agreement and Schedule or a 2002 ISDA Master Agreement and Schedule thereto together with the confirmation entered into by BNPP B.V. and the Swap Counterparty in respect of the relevant series of Secured Securities (a "**Swap Agreement**").

The purpose of the Swap Agreement is to allow BNPP B.V. to perform its scheduled obligations under the relevant Secured Securities. The Swap Agreement may provide that BNPP B.V. will pay to the Swap Counterparty the proceeds of issue of the Secured Securities which are to be secured by the Collateral Pool. Over the term of the relevant Secured Securities, upon scheduled settlement or redemption of the Secured Securities and, upon the early redemption or cancellation of the Secured Securities other than following an Event of Default, the Swap Counterparty will make payments or delivery of assets to BNPP B.V. which correspond to those which BNPP B.V. is scheduled to make under the relevant Secured Securities. The Swap Agreement may be supplemented by a credit support document (a "**Credit Support Document**").

#### *Credit Support Document*

Under the terms of the Credit Support Document, until the redemption or exercise of the relevant Secured Securities the Swap Counterparty shall deliver to BNPP B.V., the initial Collateral Assets in an amount determined by the relevant Securities Value of a series and from time to time, as applicable additional Collateral Assets on the basis of the Securities Value and Collateral Value. BNPP B.V. shall re-deliver Collateral Assets or assets equivalent thereto to the Swap Counterparty, if applicable, on the basis of the Securities Value and Collateral Value. The Credit Support Document may include provisions governing the calculation of the Securities Value and the Collateral Value in respect of the relevant Secured Securities. The Swap Counterparty may at its sole discretion substitute the Collateral Assets for other Eligible Collateral. BNPP B.V. may appoint one or more agents to perform custodial and administrative functions relating to its obligations under the Credit Support Document.

### *Repurchase Agreement*

In connection with one or more series of Secured Securities, BNPP B.V. may enter into a repurchase agreement (a "**Repurchase Agreement**") with a counterparty which may be BNP Paribas Arbitrage S.N.C., BNP Paribas or any other Affiliate of BNPP B.V. (the "**Repo Counterparty**"). The Repurchase Agreement may be substantially in the form of a 2000 TBMA/ISMA Global Master Repurchase Agreement, a "*Convention Cadre FBF aux opérations de pensions livrées*", each as amended, supplemented or otherwise modified from time to time, or any other agreement having a similar effect. Pursuant to the Repurchase Agreement, BNPP B.V. may enter into a series of repurchase transactions (each a "**Transaction**") with the Repo Counterparty in respect of Collateral Assets. Under each such Transaction, the Repo Counterparty will be the seller of Collateral Assets and BNPP B.V. will be the buyer.

Under a Repurchase Agreement entered into in respect of a series of Secured Securities, on the initial purchase date and each subsequent purchase date BNPP B.V. will purchase from the Repo Counterparty Collateral Assets with a market value equal to the outstanding aggregate nominal value of the relevant Secured Securities (or part of such nominal value if Partial Nominal Value Collateralisation is applicable). On each repurchase date under such Repurchase Agreement, the Repo Counterparty will repurchase securities equivalent to the Collateral Assets sold by it in relation to such Collateral Pool on the previous purchase date for a repurchase price at least equal to the purchase price for that Transaction.

### *Margin maintenance*

The market value of the Collateral Assets which are the subject of the current Transaction under each Repurchase Agreement will be determined on each Collateral Valuation Date. The Repurchase Agreement will provide that the Repo Counterparty will transfer further Collateral Assets and, as applicable, BNPP B.V. shall re-deliver Collateral Assets to the Repo Counterparty on the basis of the applicable Securities Value and the Collateral Value. The Repo Counterparty may at its sole discretion substitute the Collateral Assets for other Eligible Collateral.

## FORM OF FINAL TERMS FOR SECURITIES

**[PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – [Other than with respect to the jurisdiction(s) in which a key information document will be made available,][T]/[t]he Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"). Consequently, [save as provided above,] no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

**[PROHIBITION OF SALES TO UK RETAIL INVESTORS** – [Unless a key information document will be made available,][T]/[t]he Securities are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000, as amended (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA. Consequently, [save as provided above,] no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

**[MiFID II product governance / [Retail investors, professional]/[Professional] investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Securities, taking into account the five categories in item 18 of the Guidelines published by [the European Securities and Markets Authority ("**ESMA**")]/[ESMA] on 5 February 2018, has led to the conclusion that: (i) the target market for the Securities is eligible counterparties[, ] [and] professional clients [and retail clients], each as defined in [Directive 2014/65/EU (as amended, "**MiFID II**")][MiFID II]; [and (ii) all channels for distribution of the Securities are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]]/[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Securities to retail clients are appropriate – [investment advice][, / and] [portfolio management][, / and][ non-advised sales ][and pure execution services][, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable]]. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable].]

<sup>1</sup>[UK MiFIR product governance / [Retail investors, professional]/[Professional] investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Securities, taking into account the five categories in item 18 of the Guidelines published by [the European Securities and Markets Authority ("ESMA")]/[ESMA] on 5 February 2018 (in accordance with the FCA's policy statement entitled "*Brexit our approach to EU non-legislative materials*"), has led to the conclusion that: (i) the target market for the Securities is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("COBS")[, [and] professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR") [and retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("EUWA")]; [and (ii) all channels for distribution of the Securities are appropriate[, including investment advice, portfolio management, non-advised sales and pure execution services]]/[(ii) all channels for distribution to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distribution of the Securities to retail clients are appropriate – [investment advice][, and] [portfolio management][, and] [non-advised sales] [and pure execution services][, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable]]. *[Consider any negative target market]*. Any person subsequently offering, selling or recommending the Securities (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Securities (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels[, subject to the distributor's suitability and appropriateness obligations under COBS, as applicable].]<sup>2</sup>

**[The Issuer accepts responsibility for this unsigned document in PDF format dated [date] and confirms that it is the final version of the Final Terms relating to the Securities with [Series Number [Series Number]] [and] [ISIN [ISIN]]/[ISIN code(s) as specified in the section specific provisions for each series] for the issuance [and listing] of the Securities described herein.] / [The Issuer accepts responsibility for this unsigned document in PDF format dated on the date mentioned below that is the final version (internal reference "FV") of the Final Terms relating to the Securities described herein.]**

## **FINAL TERMS DATED [●]**

### **[BNP Paribas Issuance B.V.**

*(incorporated in the Netherlands)*

*(as Issuer)*

*[Legal entity identifier (LEI):  
7245009UXRIGIRYOB48]*

### **BNP Paribas**

*(incorporated in France)*

*(as [Issuer]/[Guarantor])*

*[Legal entity identifier (LEI):  
R0MUWSFPU8MPRO8K5P83]*

(Warrant and Certificate Programme)

[insert title of Securities]

<sup>1</sup> The legend may not be necessary if the managers in relation to the Securities are not subject to UK MiFIR and therefore there are no UK MiFIR manufacturers. Depending on the location of the manufacturers, there may be situations where either the MiFID II product governance legend or the UK MiFIR product governance legend or where both are included.

<sup>2</sup> Please note that non-exempt offers in the UK require a FCA approval. Since the Base Prospectus is not approved by the FCA, an approval of this document or a drawdown prospectus approved by the FCA should be required before any sales to UK retail investors on a non-exempt basis.

**[BNP Paribas Arbitrage S.N.C.]**  
*(as Manager)*

[These Securities are [FinSA Securities]/[FinSA Exempt Securities], as defined in the Base Prospectus [as supplemented]

*[Insert in the case of FinSA Securities: SSPA product type: [SSPA product type]]*

**PART A – CONTRACTUAL TERMS**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 31 May 2023 [, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities] (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate) which [together] constitute[s] a base prospectus for the purposes of the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*) (the "**Prospectus Act**"). This document constitutes the Final Terms of the Securities described herein and must be read in conjunction with such Base Prospectus [as so supplemented]. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") and the offer of the Securities is only available on the basis of the combination of these Final Terms and the Base Prospectus. **[The Base Prospectus [[and/,] any Supplement(s) to the Base Prospectus] [and these Final Terms]<sup>3</sup> [is/are] available for viewing at [address] [and] [website] and copies may be obtained free of charge at the specified offices of the Security Agents.]**

*[Insert in the case of FinSA Securities: The Base Prospectus and any Supplement(s) thereto, have been approved by SIX Exchange Regulation AG ("**SIX Exchange Regulation**") in its capacity as Swiss Prospectus Office (the "**Swiss Prospectus Office**"). As of 31 May 2023, the Base Prospectus [as supplemented] constitutes a base prospectus pursuant to article 45 of the Swiss Financial Services Act ("**FinSA**") for the purposes of the issuance of FinSA Securities.*

For the purpose of public offering in Switzerland [and/or the admission to trading on SIX Swiss Exchange], these Final Terms have been or will be registered with the Swiss Prospectus Office and are or will be published pursuant to FinSA prior to the public offering of the Securities in Switzerland [and/or the admission to trading of the Securities on SIX Swiss Exchange] and the Base Prospectus, any Supplement thereto and these Final Terms together will constitute the prospectus pursuant to FinSA.]]

*[The following alternative language applies if the first series 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 Conditions (the "**Conditions**") set forth in the Base Prospectus dated [original date] [, [the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below) and any other Supplement to the Base Prospectus which may have been published and approved before the issue of any additional amount of Securities] (the "**Supplements**") (provided that to the extent any such Supplement (i) is published and approved after the date of these Final Terms and (ii) provide for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate) which are incorporated by reference in the Base Prospectus dated [current date] [and any

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<sup>3</sup> **Include in respect of issues of Securities that are listed.**

Supplement[s] to the Base Prospectus] and are attached hereto. This document constitutes the Final Terms of the Securities described herein and must be read in conjunction with the Base Prospectus dated [original date] [and the Supplement[s] to the Base Prospectus], the Base Prospectus dated [current date] [and any Supplement[s] to the Base Prospectus] to obtain all relevant information. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") and the offer of the Securities is only available on the basis of the combination of these Final Terms, the Base Prospectus dated [original date] [and the Supplement[s] to the Base Prospectus] and the Base Prospectus dated [current date] [and any Supplement[s] to the Base Prospectus]. [The Base Prospectus is available for viewing at [address] [and] [website] and copies may be obtained from [address].

*[Insert in the case of FinSA Securities: The Base Prospectus dated [original date] and any Supplement(s) thereto, have been approved by SIX Exchange Regulation AG ("**SIX Exchange Regulation**") in its capacity as Swiss Prospectus Office (the "**Swiss Prospectus Office**"). As of 31 May 2023, the Base Prospectus dated [current date] constitutes a base prospectus pursuant to article 45 of the Swiss Financial Services Act ("**FinSA**") for the purposes of the issuance of FinSA Securities.*

For the purpose of public offering in Switzerland [and/or the admission to trading on SIX Swiss Exchange], these Final Terms have been or will be registered with the Swiss Prospectus Office and are or will be published pursuant to FinSA prior to the public offering of the Securities in Switzerland [and/or the admission to trading of the Securities on SIX Swiss Exchange] and the Base Prospectus dated [original date], any Supplement thereto and these Final Terms together will constitute the prospectus pursuant to FinSA.]]

*[The following alternative language applies in respect of issues of Securities where the offer period spans a supplement to the Base Prospectus or an update to the Base Prospectus or where the public offer period concludes prior to the publication of a supplement to the Base Prospectus or an update to the Base Prospectus, but the Issue Date of the Securities occurs after such publication.*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 31 May 2023 [,][and][the][each] Supplement[s] to the Base Prospectus published and approved on or before the date of these Final Terms (copies of which are available as described below)] [notwithstanding the publication and approval of any [other] Supplement to the 2023 Base Prospectus (each a "**2023 Future Supplement**") which may have been published and approved after the date of these Final Terms and before the [issue] [end of the public offer period] of any additional amount of Securities (provided that to the extent any 2023 Future Supplement (i) is published and approved after the date of these Final Terms and (ii) provides for any change to the Conditions of the Securities such changes shall have no effect with respect to the Conditions of the Securities to which these Final Terms relate)] ([together,] the "**2023 Base Prospectus**") [and/or] an updated Base Prospectus (and any Supplement(s) thereto, each a "**2024 Future Supplement**"), which will replace the 2023 Base Prospectus (the "**2024 Base Prospectus**") (the date of any such publication and approval, each a "**Publication Date**"). This document constitutes the Final Terms of the Securities described herein and [(i) prior to any Publication Date, must be read in conjunction with the 2023 Base Prospectus, or (ii)] [on and after any Publication Date must be read in conjunction with the 2023 Base Prospectus, as supplemented by any 2023 Future Supplement as at such date [or, as applicable,] [the 2024 Base Prospectus, as supplemented by any 2024 Future Supplement as at such date],] save in respect of the Conditions which are extracted from the 2023 Base Prospectus as supplemented. Full information on [BNP Paribas Issuance B.V.]/[BNP Paribas] (the "**Issuer**") [, BNP Paribas (the "**Guarantor**")]] and the offer of the Securities is only available on the basis of the combination of these Final Terms and [(i) prior to any Publication Date, the 2023 Base Prospectus, or (ii)] [on or after any Publication Date, [the 2023 Base Prospectus, as supplemented by any 2024 Future Supplement as at such date] [or, as applicable,] [the 2024 Base Prospectus, as supplemented by any 2024 Future Supplement as at such date], save in respect of the Conditions which are extracted from the 2023 Base Prospectus. The 2023 Base

Prospectus, as supplemented, [and these Final Terms]<sup>4</sup> are available[, and the 2024 Base Prospectus will be available] for viewing at [address] [and] [website] and copies may be obtained from [address].

*[Insert in the case of FinSA Securities: The 2023 Base Prospectus and any Supplement(s) thereto have been approved by SIX Exchange Regulation AG ("SIX Exchange Regulation") in its capacity as Swiss Prospectus Office (the "Swiss Prospectus Office"). As of 31 May 2023, the 2023 Base Prospectus constitutes a base prospectus pursuant to article 45 of the Swiss Financial Services Act ("FinSA") for the purposes of the issuance of FinSA Securities.]*

For the purpose of public offering in Switzerland [and/or the admission to trading on SIX Swiss Exchange], these Final Terms have been or will be registered with the Swiss Prospectus Office and are or will be published pursuant to FinSA prior to the public offering of the Securities in Switzerland [and/or the admission to trading of the Securities on SIX Swiss Exchange] and, prior to the Publication Date, the 2023 Base Prospectus or the 2024 Base Prospectus, together with these Final Terms will constitute the prospectus pursuant to FinSA.]]

*[Include whichever of the following apply or specify as "Not applicable". 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. However, such numbering may change where individual paragraphs or sub-paragraphs are removed.]*

References herein to numbered Conditions are to the terms and conditions of the relevant series of Securities and words and expressions defined in such terms and conditions shall bear the same meaning in these Final Terms in so far as they relate to such series of Securities, save as where otherwise expressly provided.

*[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 10.2 of Part 2, Chapter I of the rules and regulations of the Luxembourg Stock Exchange]*

These Final Terms relate to the series of Securities as set out in "Specific Provisions For Each Series" below. References herein to "**Securities**" shall be deemed to be references to the relevant Securities that are the subject of these Final Terms and references to "**Security**" shall be construed accordingly.

*[Insert in the case of FinSA Securities: The Securities may be considered structured products in Switzerland pursuant to article 70 FinSA and do not constitute collective investment schemes in the meaning of the Swiss Federal Act on Collective Investment Schemes ("CISA"). Accordingly, holders of the Securities do not benefit from protection under the CISA or supervision by the Swiss Financial Market Supervisory Authority ("FINMA"). Further, investors are exposed to the Issuer's and the Guarantor's insolvency risk.]*

The Securities may be offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**") in accordance with FinSA.]

*[Insert in the case of FinSA Exempt Securities: None of the Base Prospectus, these Final Terms or any other offering or marketing material relating to the Securities constitutes a prospectus pursuant to FinSA, and such documents may not be publicly distributed or otherwise made publicly available in Switzerland, unless the requirements of FinSA for such public distribution are complied with.]*

The Securities are not being offered, sold or advertised, directly or indirectly, in Switzerland to retail clients (*Privatkundinnen und -kunden*) within the meaning of FinSA ("**Retail Clients**"). Neither these Final Terms nor any offering materials relating to the Securities may be available to Retail Clients in or from Switzerland. The offering of the Securities directly or indirectly, in Switzerland is only made by way of private placement by

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<sup>4</sup> Include in respect of issues of Securities that are listed.

addressing the Securities solely at investors classified as professional clients (*professionelle Kunden*) or institutional clients (*institutionelle Kunden*) within the meaning of FinSA ("Professional or Institutional Clients").]

## SPECIFIC PROVISIONS FOR EACH SERIES

SERIES NUMBER	[TRANCHE NUMBER	NO. OF SECURITIES ISSUED	NO OF SECURITIES	ISIN/ [ ] <sup>5</sup>	[COMMON CODE	[MNEMONIC CODE	[CFI	[FISN	[TYPE OF INDEX
[●] [●]	[●] [●]	[●] [●]	[Up to] [●] [Up to][●]	[●] [●]	[●] [●]	[●] [●] <sup>6</sup>	[●] [●]	[●] [●]	[●] [●]
SERIES NUMBER	ISSUE PRICE <sup>7</sup> PER SECURITY	[CALL/ PUT	[[SCHEDULED] REDEMPTION DATE	[RELEVANT JURISDICTION	[SHARE AMOUNT/DEBT SECURITY AMOUNT	[PARITY	[SPECIFIED SECURITIES PURSUANT TO SECTION 871(m) <sup>8</sup> [Yes/No]	[Insert other identifier code or variable]	
[●]	[[insert currency] [●]]/[●]% of the Notional Amount]	[call/put]	[●]/[Open End] <sup>9</sup>	[●]	[●]	[●]	[Yes/No]	[●]	
[●]	[[insert currency] [●]]/[●]% of the Notional Amount]	[call/put]	[●]/[Open End] <sup>10</sup>	[●]	[●]	[●]	[Yes/No]	[●]	

## GENERAL PROVISIONS

The following terms apply to each series of Securities:

1. Issuer: [BNP Paribas Issuance B.V.]/[BNP Paribas]
2. [Guarantor: BNP Paribas]
3. Trade Date: [specify]
4. Issue Date [and Interest Commencement Date]<sup>11</sup>: [specify]  
*(N.B. For Preference Share Certificates, the relevant Preference Shares should be in issue on or prior to the Issue Date)*
5. Consolidation: The Securities are to be consolidated and form a single series with the [insert title of relevant series of Securities] issued on [insert issue date]/[Not applicable]
6. Type of Securities:
  - (a) [Warrants/Certificates]
  - (b) The Securities are [Index Securities/Share Securities/ETI Securities/Debt Securities/Commodity Securities<sup>12</sup>/Inflation

<sup>5</sup> DTC: CUSIP – include for U.S. Securities.

<sup>6</sup> Only applies where the Securities are listed on Euronext Paris.

<sup>7</sup> For Preference Share Certificates, the Issue Price is required to be par.

<sup>8</sup> Specify "Yes" if the Securities are Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.

<sup>9</sup> Include for Open Ended Securities.

<sup>10</sup> Include for Credit Securities and Fund Securities.

<sup>11</sup> In the case of Certificates which bear interest.

<sup>12</sup> Commodity Securities or Hybrid Securities containing a commodity component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.



Index Securities<sup>13</sup>/Currency Securities<sup>14</sup>/Fund Securities<sup>15</sup>/Futures Securities/Credit Securities<sup>16</sup>/Preference Share Certificates/Listed Option Securities/Hybrid Securities<sup>17</sup>/[specify other type of Security]].

(N.B. In respect of Market Access Securities, specify "Index Securities", "Share Securities" or "Debt Securities" as applicable)

[The Warrants are [European/American/(specify other)] Style Warrants. (N.B. Finnish and Swedish Dematerialised Warrants may only be European Style Warrants)

The Warrants are [Turbo/Quanto/Digital/[Bull/Bear/Capped] Spread] Call Warrants or [Turbo/Quanto/Digital/ [Bull/Bear/Floored] Spread] Put Warrants/[specify other].]

Automatic Exercise [applies/does not apply]. (N.B. Automatic Exercise may only apply in relation to Cash Settled Warrants/Automatic Exercise will always apply to Swedish Registered Warrants, Finnish Dematerialised Warrants and Italian Dematerialised Warrants).]<sup>18</sup>

[[The Certificates are [Reverse Convertible Certificates/Athena Certificates/Plus Certificates/[Call/Put] Certificates/Turbo[Call/Put] Certificates/Turbo Pro [Call/Put] Certificates]/[Open End Certificates]/[Open End Turbo Certificates [and are OET [Call/Put]]/[specify other].]

[Open End: Applicable  
[[Condition 34.8(i) is applicable:  
Notice Period: [specify]  
Cash Settlement Amount: [specify]]/  
[Condition 34.8(ii) is applicable:  
Minimum Notice Period: [specify]  
Maximum Notice Period: [specify]  
Cash Settlement Amount: [specify]]]

<sup>13</sup> Inflation Index Securities or Hybrid Securities containing an inflation component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>14</sup> Currency Securities or Hybrid Securities containing a currency component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>15</sup> Fund Securities or Hybrid Securities containing a fund component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>16</sup> Credit Securities or Hybrid Securities containing a fund component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>17</sup> Hybrid Securities that contain a currency, commodity or inflation component cannot be U.S. Securities unless offered pursuant to any applicable U.S. Wrapper to this Base Prospectus.

<sup>18</sup> **Include for Warrants.**

*(to be included if Condition 34.8(i) and/or Condition 34.8(ii) is/are applicable – please note that (i) with respect to French Law Securities, Condition 34.8(i) and Condition 34.8(ii) shall apply and (ii) with respect to English Law Securities, Condition 34.8(i) and/or Condition 34.8(ii) shall apply.)]*

[Exercise of Certificates applies to the Certificates. [Multiple Exercise *applies* to the Certificates.] The Exercise Date[s] is [are] [*specify*] or, if [any] such day is not a Business Day, the immediately [preceding/succeeding] Business Day].]

[The Exercise Settlement Dates are [●]].]<sup>19</sup>

[The provisions of Annex 1 (Additional Terms and Conditions for Index Securities) shall apply.] [The provisions of Annex 2 (Additional Terms and Conditions for Share Securities) shall apply.] [The provisions of Annex 3 (Additional Terms and Conditions for ETI Securities) shall apply.] [The provisions of Annex 4 (Additional Terms and Conditions for Debt Securities) shall apply.] [The provisions of Annex 5 (Additional Terms and Conditions for Commodity Securities) shall apply.] [The provisions of Annex 6 (Additional Terms and Conditions for Inflation Index Securities) shall apply.] [The provisions of Annex 7 (Additional Terms and Conditions for Currency Securities) shall apply.] [The provisions of Annex 8 (Additional Terms and Conditions for Fund Securities) shall apply.] [The provisions of Annex 1/2/4<sup>20</sup> (Additional Terms and Conditions for [Index/Share/Debt] Securities) and Annex 9 (Additional Terms and Conditions for Market Access Securities) shall apply.] [The provisions of Annex 10 (Additional Terms and Conditions for Futures Securities) shall apply.] [The provisions of Annex 11 (Additional Terms and Conditions for Credit Securities) shall apply.] [The provisions of Annex 13 (Additional Terms and Conditions for Preference Share Certificates) shall apply.] [The provisions of Annex [1/2/3/5/7/10<sup>21</sup>] (Additional Terms and Conditions for [Index/Share/ETI/Commodity/Currency/Futures] Securities) and Annex 14 (Additional Terms and Conditions for OET Certificates) shall apply.][The

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<sup>19</sup> **Include for Certificates.**

<sup>20</sup> For Market Access Securities include relevant Annex and complete relevant section for Index/Share/Debt Securities and include Annex 9 and complete paragraph 30 as appropriate.

<sup>21</sup> For OET Certificates include relevant Annex and complete relevant section for Index/Share/Commodity/Currency/Fund/Futures/Listed Option Securities and include Annex 14 and complete paragraph 34 as appropriate.

provisions of Annex 15 (Additional Terms and Conditions for Listed Option Securities) shall apply.]

[PRC Tax: Applicable]

7. Form of Securities: [Clearing System Global Security]/[Registered Global Security] [Dematerialised bearer form (*au porteur*)<sup>22</sup>] [Rule 144A Global Security]<sup>24</sup> [Private Placement Definitive Security]<sup>23</sup> [Regulation S Global Security] [Swedish Dematerialised Securities] [Finnish Dematerialised Securities] [Italian Dematerialised Securities] [Swiss Materialised Securities] [Swiss Dematerialised Securities] (*N.B.: Only Swiss Securities may be admitted to trading on SIX Swiss Exchange.*)
8. Business Day Centre(s): The applicable Business Day Centre[s] for the purposes of the definition of "Business Day" in Condition 1 [is/are] [●].
9. Settlement: Settlement will be by way of [cash payment (Cash Settled Securities)] [and/or] [physical delivery (Physical Delivery Securities)]. (*N.B. Swedish Dematerialised Securities, Finnish Dematerialised Securities and Italian Dematerialised Securities may only be Cash Settled Securities*)
10. Variation of Settlement:
- (a) Issuer's option to vary settlement: The Issuer [has/does not have] the option to vary settlement in respect of the Securities<sup>24</sup>. (*N.B. the Issuer's option to vary settlement is not applicable to Swedish Dematerialised Securities, Finnish Dematerialised Securities or Italian Dematerialised Securities*)
- (*N.B. If the Issuer does not have the option to vary settlement in respect of the Securities, delete the sub-paragraphs of this paragraph 10*)
- (b) Variation of Settlement of Physical Delivery Securities: [Notwithstanding the fact that the Securities are Physical Delivery Securities, the Issuer may make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or on the Redemption Date (in the case of Certificates), and the provisions of Condition 5 will apply to the Securities/The Issuer will procure delivery of the Entitlement in respect of the Securities and the provisions of Condition 5 will not apply to the Securities. Any Physical Delivery for U.S. Securities must be made in compliance with the Securities Act and the Exchange Act.]

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<sup>22</sup> If French law-governed.

<sup>23</sup> If U.S. Securities.

<sup>24</sup> Not applicable for U.S. Securities, unless Physical Delivery can be in compliance with U.S. securities laws.

11. Relevant Asset(s): The relevant asset to which the Securities relate [is/are] [●]. (*N.B. Only applicable in relation to Physical Delivery Securities that are not Credit Securities*)
12. Entitlement: [Applicable/Not applicable]
- (a) [The Entitlement (as defined in Condition 1) in relation to each Security is [●].]
- (b) [The Entitlement will be evidenced by *[insert details of how the Entitlement will be evidenced]*.]
- (c) [The Entitlement will be [delivered] [Delivered] *[insert details of the method of delivery of the Entitlement]*.]
- (*N.B. Only applicable in relation to Physical Delivery Securities*)
13. [Exchange Rate]<sup>25</sup>/[Conversion Rate]<sup>26</sup>: The applicable rate of exchange for conversion of any amount into the relevant settlement currency for the purposes of determining the Settlement Price (as defined in the relevant Annex to the Terms and Conditions) or the Cash Settlement Amount (as defined in Condition 1) is *[insert rate of exchange and details of how and when such rate is to be ascertained]*/[specify]/[As specified in the OET Certificate Conditions]/[Not applicable].
14. Equivalent Amount Settlement Currency: [specify]
15. Equivalent Amount Settlement Price Source: [specify]
16. Equivalent Amount Settlement Valuation Time: [As per Condition/[specify]]
17. Settlement Currency: The settlement currency for the payment of [the Cash Settlement Amount] (*in the case of Cash Settled Securities*)/[the Disruption Cash Settlement Price] (*in the case of Physical Delivery Securities*) is [●].
- [Insert in the case of Dual Currency Certificates:
- The Settlement Currency is as specified in Currency Security Condition 7 for the payment of the Cash Settlement Amount *[Insert if Dual Currency Condition 1 is specified as applicable;* and [Interest]/[Premium]

<sup>25</sup> Applicable for Securities other than OET Certificates.

<sup>26</sup> Applicable for OET Certificates.

The Settlement Currency other than in respect of the Cash Settlement Amount *[Insert if Dual Currency Condition 1 is specified as applicable: or the [Interest]/[Premium Amount] is [●]]*

- Any local agent shall be specified in Part B of the Final Terms.  
Include in the case of Registered Securities.

25. *Masse* provisions<sup>29</sup> (Condition 9.4): [Contractual representation of Holders/No *Masse*]<sup>30</sup> [Full *Masse*]<sup>31</sup> / [Contractual *Masse*]<sup>32</sup> / [Not Applicable]<sup>33</sup> [If Condition 9.4(b)(ii) (Full *Masse*) or Condition 9.4(b)(iii) (Contractual *Masse*) applies, insert below details of Representative and alternate Representative and remuneration, if any:
- [Name and address of the Representative: [●]]
- Name and address of the alternate Representative: [●]]
- [The Representative will receive no remuneration/The Representative will receive a remuneration of [●]].

## PRODUCT SPECIFIC PROVISIONS (ALL SECURITIES)

26. Index Securities: [Applicable/Not applicable]
- (a) Index/Basket of Indices/Index Sponsor(s): [[insert type of Index/Indices (e.g. total return, price return, etc.) and] specify name of Index/Indices]
- [specify name of Index Sponsor(s)]
- [The [●] Index is a [Component Security]/[Multi-Exchange] Index.]<sup>34</sup>
- [The [●] Index is a Custom Index]
- [Asset Class Type: [Equity]/[Commodity] Custom Index]<sup>35</sup>
- (b) Index Currency: [specify]
- (c) Exchange(s): [specify]
- (d) Related Exchange(s): [specify]/[All Exchanges]
- (e) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis]
- [Exchange/Related Exchange: Applicable]

<sup>29</sup> If French law-governed.

<sup>30</sup> Apply "Contractual representation of Holders/No *Masse*" pursuant to Condition 9.4(b)(i) of the Terms and Conditions in respect of French Law Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and are traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

<sup>31</sup> Apply "Full *Masse*" pursuant to Condition 9.4(b)(ii) of the Terms and Conditions in respect of French Law Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and (i) are traded in amounts or have a notional amount of less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) and (ii) are issued inside France.

<sup>32</sup> Apply "Contractual *Masse*" pursuant to Condition 9.4(b)(iii) of the Terms and Conditions in respect of French Law Securities which constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier* and (i) are traded in amounts or have a notional amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or (ii) are issued outside France (*à l'étranger*), within the meaning of Article L.228-90 of the French *Code de commerce*.

<sup>33</sup> Select "Not Applicable" if the Securities are (i) English-law governed or (ii) Dutch-law governed or (iii) French Law Securities which do not constitute *obligations* within the meaning of Article L.213-5 of the French Code *monétaire et financier*.

<sup>34</sup> Specify each Component Security Index and/or Multi-Exchange Index (if any).

<sup>35</sup> Specify each Custom Index (if any).

- (f) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis]  
[Exchange/Related Exchange: Applicable]  
*(must match election made for Exchange Business Day)*
- (g) Weighting: [The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in accordance with Annex 1]/[specify other].]/[Not applicable] *(N.B. Only applicable in relation to Securities relating to a Basket of Indices)*
- (h) Settlement Price: The Settlement Price will be calculated *[insert calculation method if different from Annex 1]*<sup>36</sup>
- (i) Disrupted Day: [If the relevant Settlement Price Date or an Averaging Date, as the case may be, is a Disrupted Day, the Settlement Price will be calculated *[insert calculation method]*. *(N.B. Only applicable in the case of the Indices other than Custom Indices)*
- [If the Valuation Date (in the case of Warrants) or Redemption Valuation Date (in the case of Certificates), or Observation Date or an Averaging Date is a Disrupted Day, the Settlement Price will be calculated in accordance with Annex 1] *[insert Calculation Method.] (N.B. Only applicable in the case of Custom Indices)*
- (j) Specified Maximum Days of Disruption: [As defined in Condition 1]/[specify] Scheduled Trading Days.
- [Specified Maximum Days of Disruption will be equal to [●]/[twenty]] *(N.B. Only applicable in the case of Custom Indices. If no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)*
- (k) Valuation Time: [Continuous monitoring *[specify other]* and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is [Scheduled Closing Time (in the case of Warrants) or the Valuation Time (in the case of Certificates)] each as defined in Condition 1.] *[specify].]*
- (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1. Not applicable in the case of Custom Indices).*

<sup>36</sup>

Where Index is managed by Borsa Italiana S.p.A. (or another entity with which Borsa Italiana S.p.A. has entered into an agreement in respect of the Index) include within definition valuation by reference to "official opening level" calculated by Index Sponsor or Related Exchange as applicable.

[As per the Conditions]/[[●], being the time specified on the last Valuation Date or an Averaging Date or Observation Date as the case may be, for the calculation of the Settlement Price (*N.B. Only applicable in the case of Custom Indices*).]

- (l) Delayed Redemption on Occurrence of Index Adjustment Event (in the case of Certificates only): [Applicable/Not applicable]  
[If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]  
  
[if *Principal Protected Termination Amount* is applicable: Protected Amount: *[specify]* per cent. of the Notional Amount]]
- (m) Index Correction Period: [As per Conditions/*specify*/in the case of Custom Index: see item 26(o)(iv) below]
- (n) Other terms or special conditions: [Not applicable/*specify*]
- (o) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Screen Page: [*specify*]
- (ii) Custom Index Business Day: [All Custom Indices Basis/Per Custom Index Basis/Single Custom Index Basis]/[*Include the following in the case of Equity Custom Index Securities or Commodity Custom Index Securities: As per Conditions*]
- (iii) Scheduled Custom Index Business Day: [All Custom Indices Basis/Per Custom Index Basis/Single Custom Index Basis]/[*Include the following in the case of Equity Custom Index Securities or Commodity Custom Index Securities: As per Conditions*]  
  
*(N.B. Must match election made for Custom Index Business Day)*
- (iv) Custom Index Correction Period: [As per Conditions/*specify*]  
  
*(In the case of Equity Custom Index Securities or Commodity Custom Index Securities, specify "As per Conditions")*
- (v) Delayed Redemption on Occurrence of a Custom Index Adjustment Event [or Commodity Custom Index Market] [Applicable/Not applicable]



Disruption Event] (*in the case of Certificates only*):

- (vi) Custom Index Low Closing Trigger Event: [Applicable/Not applicable]<sup>37</sup>  
*[If Custom Index Low Closing Trigger Event is applicable:*  
  
Delayed Redemption on Occurrence of Custom Index Low Closing Trigger Event: [Applicable/Not applicable]  
  
Low Closing Trigger Percentage: [●] per cent.  
  
Low Closing Trigger Period: [*specify*]/[As per Conditions]]
- (vii) Outstanding Securities Trigger Event: [Applicable/Not applicable]<sup>38</sup>  
*[If Outstanding Securities Trigger Event is applicable:*  
  
Delayed Redemption on Occurrence of Outstanding Securities Trigger Event: [Applicable/Not applicable]  
  
Outstanding Securities Trigger Level: [*specify number of Certificates*]]
- (p) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Exchange-traded Contract: [*specify*]/*[If the Index Securities are Rolling Futures Contract Securities: Condition 9.2 applies]*
- (ii) Delivery or expiry month: [*specify*]/[Not applicable]  
*(Not applicable in the case of Index Securities that are Rolling Futures Contract Securities)*
- (iii) Period of Exchange-traded Contracts: [*specify*]/[Not applicable]  
*(Only applicable in case of Index Securities that are Rolling Futures Contract Securities)*
- (iv) Futures or Options Exchange: [*specify*]
- (v) Rolling Futures Contract Securities: [Yes/No]

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<sup>37</sup> Specify "Not applicable" in the case of W&C Securities that are Warrants.

<sup>38</sup> Specify "Not applicable" in the case of W&C Securities that are Warrants.

- (vi) Futures Rollover [Not applicable]/[specify]  
[Date/Period]:
- (vii) [Delayed Redemption on Occurrence of Non-Commencement or Discontinuance of the Exchange-traded Contract: [Applicable/Not applicable]]  
(Only applicable in the case of Certificates)
27. Share Securities/ETI Share Securities: [Applicable/Not applicable]
- [Share Securities: [Applicable/Not applicable]]
- [ETI Share Securities: [Applicable/Not applicable]]
- (In the case of Hybrid Securities which are Share Securities and ETI Share Securities, repeat subparagraphs (a) to (f) below for Share Securities and ETI Securities to which the ETI Share Provisions apply, as required)*
- (a) Share(s)/Share Company/Basket Company/GDR/ADR/ETI Interest/Basket of ETI Interests: [insert type of Share(s) and Share Company/Basket Companies/ETI Interest(s) and ETI(s)]  
[Insert details of GDR/ADR]<sup>39</sup>
- [Stapled Shares applicable]
- [Insert details of Stapled Shares and Stapled Share Constituents]<sup>40</sup>*
- [China Connect applicable]<sup>41</sup>
- (b) Relative Performance Basket: [Not applicable/specify]
- (Always specify as "Not applicable" where ETI Share Securities is specified as applicable)*
- (c) Share/ETI Interest Currency: [specify]
- (d) Exchange(s): [specify]
- (e) Related Exchange(s): [specify]/[All Exchanges]
- (f) Exchange Business Day: [Single [Share/ETI Interest] Basis/All [Shares/ETI Interests] Basis/Per [Share/ETI Interest] Basis]

<sup>39</sup> Specify each GDR or ADR (if any). In the case of Share Securities relating to a GDR/ADR, complete Share Securities Final Terms as applicable for GDR/ADR reference asset(s).

<sup>40</sup> Specify each Stapled Share Constituent comprising the Stapled Shares. In the case of Share Securities relating to Stapled Shares, complete Share Securities Final Terms as applicable for Stapled Shares reference asset(s).

<sup>41</sup> Not applicable for ETI Securities.

- (g) Scheduled Trading Day: [Single [Share/ETI Interest] Basis/All [Shares/ETI Interests] Basis/Per [Share/ETI Interest] Basis]  
(must match election made for Exchange Business Day)
- (h) Weighting: [The weighting to be applied to each item comprising the Basket of [Shares/ETI Interests] to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with Annex [2]/[3]]/[specify other].]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket of Shares or a Basket of ETI Interests)]
- (i) Settlement Price: The Settlement Price will be calculated [insert calculation method if different from Annex 2]. (N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.)<sup>42</sup>
- (j) Disrupted Day: If the relevant Settlement Price Date or an Averaging Date, as the case may be, is a Disrupted Day, the Settlement Price will be calculated [insert calculation method].
- (k) Specified Maximum Days of Disruption: [As defined in Condition Annex 2]/[specify] Scheduled Trading Days].
- (l) Valuation Time: [Continuous monitoring]/[specify other] and the relevant time on the relevant Settlement Price Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Condition Annex 2.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition Annex 2)]
- (m) Delayed Redemption on Occurrence of an Extraordinary Event (in the case of Certificates only): [Not applicable/Applicable]  
[If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]  
[if Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Notional Amount]]
- (n) Share/ETI Interest Correction Period [As per Conditions/specify]
- (o) [Dividend Payment: [Applicable/Not applicable]]<sup>43</sup>
- (p) Listing Change: [Applicable/Not applicable]

<sup>42</sup> Where a Share is traded on an Italian regulated market managed by Borsa Italiana S.p.A. include within definition valuation by reference to "official reference price" calculated by Borsa Italiana S.p.A.

<sup>43</sup> Not applicable in respect of ETI Securities.

- (q) Listing Suspension: [Applicable/Not applicable]
- (r) Illiquidity: [Applicable/Not applicable]
- (s) Tender Offer: [Applicable/Not applicable]<sup>44</sup>
- (t) [China Connect Share Disqualification: [Applicable/Not applicable]
- (u) China Connect Service Termination: [Applicable/Not applicable]]<sup>45</sup>
- (v) Other terms or special conditions: [Not applicable]/[specify]

**28. ETI Securities** [Applicable/Not applicable]

[ETI Share Provisions: [Applicable – see item 27 (Share Securities/ETI Share Securities) above]/[Not applicable]]

*(If applicable and sub-paragraphs (a) to (ff) are not required for Hybrid Securities, delete sub-paragraphs (a) to (ff) and complete item 27 (Share Securities/ETI Share Securities) above.)*

- (a) ETI/ETI Basket: [specify]
- (b) ETI Interest(s): [insert type of ETI Interest(s)]
- (c) ETI Related Party: [As per Conditions]/[specify]
- (d) ETI Documents: [As per Conditions]/[specify]
- (e) Exchange(s): [specify]/[Not applicable]
- (f) Related Exchange: [specify]/[All Exchanges]/[Not applicable]
- (g) Scheduled Trading Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (h) Exchange Business Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (i) Calculation Date(s): [As per Conditions]/[specify]
- (j) Initial Calculation Date: [specify]/[Not applicable]
- (k) Final Calculation Date: [specify]/[Not applicable]
- (l) Hedging Date: [specify]
- (m) Investment/AUM Level: [As per Conditions]/[specify]

<sup>44</sup> Only to be disappplied for Tokyo EQD Securities.

<sup>45</sup> Only applicable if China Connect is applicable.

- (n) Value per ETI Interest Trading Price Barrier: [As per Conditions]/[specify]
- (o) Number of Value Publication Days: [[●] calendar days] [[●] Value Business Days]
- [Value Business Day Centre(s): [specify]]
- (Only applicable if Number of Value Publication Days is calculated by reference to Value Business Days)*
- (p) Value Trigger Percentage: [As per Conditions]/[specify]
- (q) Value Trigger Period: [As per Conditions]/[specify]
- (r) Basket Trigger Level: [As per Conditions]/[specify]
- (s) Settlement Price: The Settlement Price will be calculated *[insert calculation method if different from Annex 3]*
- [Official closing price]/[Value per ETI Interest]
- (t) Weighting: [The Weighting to be applied to each ETI Interest comprising the ETI Basket is [specify]]/[Not applicable]
- (u) Valuation Time: [specify]
- (v) Specified Maximum Days of Disruption: [As per Conditions]/[specify]
- (w) Additional Extraordinary ETI Event(s): [specify]
- (x) Maximum Stock Loan Rate: [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is [●].]
- (y) ETI Interest Correction Period: [specify]
- (z) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[As per Conditions]/[specify]
- (N.B. Principal Protected Termination Amount and Non-Principal Protection Termination Amount are applicable to Certificates only)*
- (aa) Simple Interest Spread (in the case of Certificates only): [As per Conditions]/[specify]
- (bb) Termination Date: [specify]

- (cc) Delayed Redemption on Occurrence of an Extraordinary ETI Event (in the case of Certificates only): [Applicable/Not applicable]
- (dd) Delayed Payment Cut-off Date: [specify]
- (ee) Protected Amount (in the case of Certificates only): [specify]
- (ff) Other terms or special conditions: [Not applicable]/[specify]

**29. Debt Securities:** [Applicable/Not applicable]

- (a) Debt Instrument(s): [specify]/[Not applicable – Synthetic Debt Instrument applies – see item 29(m) below] *(Not applicable if Futures Price Valuation applicable)*
- (b) Debt Instrument Currency: [specify]
- (c) Settlement Price: [As per Debt Security Condition 1] / [If Futures Price Valuation is "Applicable": As per Debt Security Condition 6]
- (d) Reference Price: [The Reference Price[s] for [insert relevant Debt Instrument(s)] is/are the [bid price]/[mid price]/[offer price]/[bid yield]/[mid yield]/[offer yield].] [Not applicable]  
  
*(Not applicable if Futures Price Valuation applicable)*
- (e) Nominal Amount: [The relevant nominal amount is [●] and the Relevant Screen Page is [●].] [Not applicable]  
  
*(Not applicable if Futures Price Valuation applicable)*
- (f) Exchange Business Day Centre(s): [specify]
- (g) Valuation Time: [specify]
- (h) Specified Maximum Days of Disruption: [[As defined in Condition 1]/[specify] Scheduled Trading Days.] [Not applicable] *(Not applicable if Futures Price Valuation applicable)*
- (i) Delayed Redemption on Occurrence of Debt Instrument Redemption Event: [Applicable/Not applicable]  
  
*[If applicable:*  
  
Principal Protected Termination Amount: [Applicable/Not applicable]

*[If Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Notional Amount]]*

*(Not applicable if Futures Price Valuation applicable)*

- (j) Debt Instrument Correction Period: [As per the Conditions]/[specify]/[Not applicable]
- (Not applicable if Futures Price Valuation applicable)*
- (k) Debt Instrument Issuer: [Specify]/[Not applicable]
- (Not applicable if Futures Price Valuation applicable)*
- (l) Weighting: [Not applicable/The weighting to be applied to each item comprising the Basket of Debt Instruments to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment.]
- (m) Additional provisions applicable to Futures Price Valuation: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Rolling Futures Contract Securities: [Yes/No]
- [Dislocation Event: [Applicable]/[Not applicable]]
- Dislocation Level: [specify]/[As per Conditions]]
- (ii) Exchange-traded Contract(s): [Specify]/[If the Debt Securities are Rolling Futures Contract Securities: Debt Security Condition 7 applies]
- (iii) Synthetic Debt Instrument(s): [Specify]/[If the Exchange-traded Contract relates to a Synthetic Debt Instrument, include description of the key terms of the synthetic debt instrument] / [Not applicable]
- (iv) Delivery or expiry month: [Specify]/[Not applicable]
- (Not applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*
- (v) Period of Exchange-traded Contract(s): [Specify]/[Not applicable]
- (Only applicable in the case of Debt Securities that are Rolling Futures Contract Securities)*
- (vi) Futures or Options Exchange: [Specify]
- (vii) Futures Rollover [Date/Period]: [Not applicable]/[Specify]

- (viii) Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract: [Applicable/Not applicable]  
*If applicable:*  
Principal Protected Termination Amount: [Applicable/Not applicable]  
*If Principal Protected Termination Amount is applicable:*  
Protected Amount: [specify] per cent. of the Notional Amount]
- (ix) Daily Settlement Price Correction Period: [As per the Conditions][Specify]
- 30. Commodity Securities:** [Applicable/Not applicable]
- (a) Commodity/Commodities/Commodity Index/Commodity Indices: [specify Commodity/Commodities/Commodity Index/Commodity Indices]  
[The Sponsor[s] of the Commodity [Index/Indices] is/are] [●]
- (b) Pricing Date(s): [specify]
- (c) Initial Pricing Date: [specify]
- (d) Final Pricing Date: [specify]
- (e) Commodity Reference Price: [specify]  
The Price Source is/are [●]<sup>46</sup>
- (f) Delivery Date: [specify]/[Not applicable]
- (g) Nearby Month: [specify]/[Not applicable]  
[specify]/[Not applicable]
- (h) Specified Price:
- (i) Exchange: [specify]/[Not applicable]
- (j) Disruption Fallback(s): [specify]/[As per Conditions]
- (k) Valuation Time: [Continuous monitoring [specify other] and the relevant time on [insert relevant date(s)].]/[specify]
- (l) Specified Maximum Days of Disruption: [specify] [[●] Commodity Business Days]<sup>47</sup>/[As per Conditions]
- (m) Weighting: [The Weighting to be applied to each item comprising the Commodity Basket is [specify]]/[Not applicable]

<sup>46</sup>

Delete if using automated Commodity Reference Prices

<sup>47</sup>

Only applicable in respect of Commodity Securities linked to a single Commodity.



- (n) Rolling Futures Contract Securities: [Yes/No]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- Futures Rollover [Date/Period]: [Not applicable]/[specify]
- (o) Other terms or special conditions: [Not applicable]/[specify]
- 31. Inflation Index Securities:** [Applicable/Not applicable]
- (a) Inflation Index/Inflation Indices/Inflation Index Sponsor: [specify name of inflation index/indices]  
[specify name of inflation index sponsor(s)]
- (b) Related Bond: [Applicable/Not applicable]
- (c) Issuer of Related Bond: [Applicable/Not applicable] *[If applicable, specify]*
- (d) Fallback Bond: [Applicable/Not applicable]
- (e) Related Bond Redemption Event: [Applicable/Not applicable] *[If applicable, specify]*
- (f) Substitute Inflation Index Level: [As determined in accordance with Annex 6] *[specify]*.
- (g) Cut-off Date: In respect of a [Valuation Date], the day that is *[specify]* Business Days prior to such [Valuation Date].
- (h) Valuation Date: *[specify]*
- (i) Other terms or special conditions: [Not applicable]/[specify]
- (j) Reference Month: *[specify]*
- 32. Currency Securities:** [Applicable/Not applicable]
- (a) Relevant Screen Page: *[specify]*
- (b) The relevant base currency (the "Base Currency") is: *[specify]*
- (c) The relevant subject [currency/currencies] ([the]/[each a] "Subject Currency") [is/are]: *[specify]*
- (d) Weighting: *[specify]*/[Not applicable]
- (e) Price Source: *[specify]*/[Insert in the case of Dual Currency Certificates: Not applicable]

- (f) Specified Maximum Days of Disruption: [specify]/[five] Scheduled Trading Days
- (g) Strike Date: [specify]
- (h) Averaging Date(s): [specify]
- (i) Observation Dates: [specify]
- (j) Settlement Price: [specify]/[Not applicable]
- (k) Valuation Time: [specify]
- (l) Valuation Date (in the case of Warrants)/Redemption Valuation Date (in the case of Certificates only): [specify]
- (m) Delayed Redemption on Occurrence of a Disruption Event (in the case of Certificates only): [Applicable/Not applicable]
- [If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]
- [if Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Notional Amount]]
- (n) [Dual Currency Certificates: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)
- [Dual Currency Condition [1]/[2]: [Less than]/[Less than or equal to]/[Greater than]/[Greater than or equal to]]
- [Dual Currency Determination Date(s): [specify]/[each Valuation Date]]
- [Strike Rate: [[specify set exchange rate], expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged]]
- (o) Other terms or special conditions: [Not applicable]/[specify]
- 33. Fund Securities:** [Applicable/Not applicable]
- (a) Fund/Fund Basket: [specify]
- [The [●] Fund is a Mutual Fund]
- [The [●] Fund is a Hedge Fund]
- [The [●] Fund is a Private Equity Fund]

- (b) Fund Share(s): [specify]
- (c) Fund Documents: [As per Conditions]/[specify]
- (d) Fund Business Day: [All Fund Share Basis/Per Fund Share Basis/Single Fund Share Basis]
- (e) Fund Service Provider: [As per Conditions]/[specify]
- (f) Calculation Date(s): [As per Conditions]/[specify]
- (g) Initial Calculation Date: [As per Conditions]/[specify]
- (h) Final Calculation Date: [specify]
- (i) Hedging Date: [specify]
- (j) AUM Level: [As per Conditions]/[specify]
- (k) NAV Trigger Percentage: [As per Conditions]/[specify]
- (l) NAV Trigger Period: [specify]
- (m) Volatility Trigger Event: [Applicable/Not applicable]  
*[if Volatility Trigger Event is applicable:*  
Volatility Trigger Percentage: [specify]  
Volatility Trigger Period: [As per Conditions]/[specify]]
- (n) Number of NAV Publication Days: [As per Conditions]/[specify]
- (o) Basket Trigger Level: [As per Conditions]/[specify]
- (p) Extraordinary Fund Event(s) (in the case of a Private Equity Fund only): [specify]
- (q) Additional Extraordinary Fund Event(s): [specify]
- (r) Fee: [specify]/[Not applicable]
- (s) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[As per Conditions]/[specify]  
*(N.B. Principal Protected Termination Amount and Non-Principal Protection Termination Amount are applicable to Certificates only)*
- (t) Simple Interest Spread (in the case of Certificates only): [As per Conditions]/[specify]

- (u) Termination Date: [specify]
  - (v) Delayed Redemption on Occurrence of an Extraordinary Fund Event (in the case of Certificates only): [Applicable/Not applicable]
  - (w) Delayed Payment Cut-off Date: [As per Conditions]/[specify]
  - (x) [Weighting: [The Weighting to be applied to each Fund Share comprising the Fund Basket is [specify]]/[Not applicable]
  - (y) Protected Amount (in the case of Certificates only): [specify] per Security
  - (z) Other terms or special conditions: [Not applicable]/[specify]
- 34. Market Access Securities:** [Applicable/Not applicable]
- (a) [Share Security/Debt Security]: [specify]
  - (b) [Share Amount/Debt Instruments Amount]: [specify]
  - (c) Market Access Security Condition 1 of Annex 9: [Applicable/Not applicable]  
The Coupon Payment Dates are [●]
  - (d) Market Access Security Condition 2 of Annex 9: [Applicable/Not applicable]
  - (e) Market Access Security Condition 3 of Annex 9: [Applicable/Not applicable]
  - (f) Market Access Security Condition 4 of Annex 9: [Applicable/Not applicable]
  - (g) Market Access Security Condition 5 of Annex 9: [Applicable/Not applicable]
  - (h) Market Access Security Condition 6 of Annex 9: [Applicable/Not applicable]
  - (i) Market Access Security Condition 7 of Annex 9: [Applicable/Not applicable]
  - (j) Market Access Security Condition 8 of Annex 9 (in the case of Warrants only): [Applicable/Not applicable]  
An "**Early Exercise Event**" shall occur if the Calculation Agent determines that on a day during the period from and including the Issue Date to and excluding the Expiration Date, the [official closing price of the [Share/Debt

Securities]/[closing level of the Index] is [equal to or] [above/below] the [Threshold Price/Threshold Level] [specify as applicable]; and

The [Threshold Price/Threshold Level] is [●]

(k) Other terms or special conditions: [Not applicable]/[specify]

(l) Market Access Security Condition 9 of Annex 9: [Applicable/Not applicable]

(i) Expected Listing Date is [specify]

(ii) The amount payable in respect of each Security so redeemed shall be [specify amount or manner of determination].

35. Futures Securities: [Applicable/Not applicable]

(a) Future(s): Rolling Futures Contract Securities: [Yes/No]

[insert type of Future(s)]/[If the Futures Securities are Rolling Futures Contract Securities: Futures Security Condition 5 applies]

[specify underlying asset(s) or basis (or bases) of reference]

[specify contract size]

[specify delivery or expiry date] (Not applicable in the case of Futures Securities that are Rolling Futures Contract Securities)

Period of Futures: [Not applicable]/[specify] (Only applicable in the case of Futures Securities that are Rolling Futures Contract Securities)

Futures Rollover [Date/Period]: [Not applicable]/[specify] (Only applicable in the case of Futures Securities that are Rolling Futures Contract Securities)

Futures Exchange(s): [specify]

(b) Future Currency: [specify]/[Not applicable]<sup>48</sup>

(c) Exchange Business Day: [Single Future Basis/All Futures Basis/Per Futures Basis]

(d) Scheduled Trading Day: [Single Future Basis/All Futures Basis/Per Futures Basis]

(must match election made for Exchange Business Day)

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<sup>48</sup> Specify "Not applicable" in the case of W&C Securities that are Warrants.

(e)	Weighting:	[The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with Annex 10]/[specify other].]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket)
(f)	Settlement Price:	The Settlement Price will be calculated [insert calculation method if different from Annex 10]. (N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.)
(g)	Specified Maximum Days of Disruption:	[As defined in Condition 1]/[specify] Scheduled Trading Days].
(h)	Valuation Time:	[Continuous monitoring [specify other] and the relevant time on the Valuation Date, Observation Date or Averaging Date, as the case may be, is the Scheduled Closing Time as defined in Condition 1.] [specify] (N.B. If no Valuation Time is specified, the Valuation Time will be the Scheduled Closing Time as defined in Condition 1)]
(i)	Futures Correction Period:	[As per Conditions/specify]
(j)	Delayed Redemption on Occurrence of a Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future (in the case of Certificates only):	[Applicable/Not applicable]  [If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]  [if Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Notional Amount]]
(k)	Other terms or special conditions:	[Not applicable]/[specify]
<b>36.</b>	Listed Option Securities:	[Applicable/Not applicable]
(a)	Listed Option Contract(s):	[specify underlying asset(s) or basis (or bases) of reference]  [specify contract size]  [specify option style]  [specify tenor and expiry date]
(b)	Options Exchange(s):	[specify]
(c)	Exchange Business Day:	[Single Listed Option Contract Basis/All Listed Option Contracts Basis/Per Listed Option Contract Basis]

(d)	Scheduled Trading Day:	[Single Listed Option Contract Basis/All Listed Option Contracts Basis/Per Listed Option Contract Basis]  ( <i>must match election made for Exchange Business Day</i> )
(e)	Weighting:	[The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment [in accordance with Annex 15]/[specify other].]/[Not applicable] ( <i>N.B. Only applicable in relation to Securities relating to a Basket</i> )
(f)	Settlement Price:	The Settlement Price will be calculated [ <i>insert calculation method if different from Annex 15</i> ]. ( <i>N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.</i> )
(g)	Disrupted Day:	If the Strike Date, the Valuation Date, an Observation Date or an Averaging Date (each as defined in Condition 1), as the case may be, is a Disrupted Day, the Settlement Price will be calculated [ <i>insert calculation method</i> ].
(h)	Specified Maximum Days of Disruption:	[As defined in Condition 1]/[specify] Scheduled Trading Days].
(i)	Valuation Time:	[specify]
(j)	Correction Period:	[As per Conditions/specify]
(k)	Delayed Redemption on Occurrence of a Non-Availability of a Listed Option Contract Price or a Non-Commencement or Discontinuance of a Listed Option Contract (in the case of Certificates only):	[Applicable/Not applicable]  [ <i>If applicable</i> : Principal Protected Termination Amount: [Applicable/Not applicable]  [ <i>if Principal Protected Termination Amount is applicable</i> : Protected Amount: [specify] per cent. of the Notional Amount]]
(l)	Other terms or special conditions:	[Not applicable]/[specify]
37.	Credit Securities:	[Applicable/Not applicable] [Credit Warrant/Credit Certificate]  [If Credit Warrant, Notional Amount per Credit Warrant = [currency] [amount]]  [Part A]/[Part B] of the Credit Security Conditions Shall apply.
(a)	Type of Security:	[Single Reference Entity Credit Certificate]/[Single Reference Entity Credit Warrant]

[Nth-to-Default Credit Certificate

N: [●]

Substitution: [Not Applicable] [Applicable]]

[Linear Basket Credit Certificate]

[Nth-to-Default Credit Warrant

N: [●]

Substitution: [Not Applicable/Applicable]]

[Linear Basket Credit Warrant]

[Other]

(b) Transaction Type: [●]

(c) Redemption Date: [●]

(d) Party responsible for making calculations and determinations pursuant to the Credit Security Conditions (if no Calculation Agent): [●]

(e) Reference Entity: [●]

(f) Reference Entity Notional Amount: [●]/[As per the Credit Security Conditions]

(g) Reference Obligation(s):

The obligation identified as follows (the "**Underlying Bond**"):

Primary Obligor: [●]

Guarantor: [●]

Maturity: [●]

Coupon: [●]

ISIN: [●]

Original Issue Amount: [●]

(h) Settlement Method: [Auction Settlement] [Physical Settlement] [Cash Settlement]

(i) Fallback Settlement Method: [Physical Settlement] [Cash Settlement]



- (j) Settlement Currency: [●] [As per the Credit Security Conditions]
- (k) Merger Event: [Applicable] [Not Applicable]  
*(If Applicable):*  
 [Merger Event Redemption Date: [●]]
- (l) LPN Reference Entities: [Applicable] [Not Applicable]
- (m) Terms relating to Cash Settlement: [As per the Credit Security Conditions] [Not Applicable]  
 [Specify variations or additions to Credit Security Conditions]
- (n) Terms relating to Physical Settlement: [As per the Credit Security Conditions] [Not Applicable]  
 [Specify variations or additions to Credit Security Conditions]
- (o) Accrual of Interest upon Credit Event: [As per Credit Security Condition 3(a)(a)] [As per Credit Security Condition 3(a)(b)]
- (p) Additional provisions: [●] [Not Applicable]
- (q) Interest: [●]
- (r) Additional Credit Linked Security Disruption Events: [The following Additional Credit Linked Security Disruption Events apply to the Notes:][Not Applicable]  
*(Specify each of the following of which applies)*  
 [Change in Law]  
 [Hedging Disruption]  
 [Increased Cost of Hedging]
- (s) Other terms or special conditions: [●] [Not Applicable]
- 38.** Preference Share Certificates: [Applicable/Not Applicable]
- (a) Preference Share: *[insert class, series number, ISIN and description of preference shares]*
- (b) Preference Share Redemption Valuation Date: *[specify]*
- (c) Other terms or special conditions: [Not Applicable]/*[specify]*
- 39.** OET Certificates: [Applicable/Not applicable]
- (a) Final Price: [As per OET Certificate Conditions]/The Final Price will be calculated *[insert calculation method if different from the OET Certificate Conditions]*

- (b) Valuation Date: [As per OET Certificate Conditions]/[specify]
- (c) Exercise Price: [specify]
- (d) Capitalised Exercise Price: [As per OET Certificate Conditions]/[specify]
- OET Website(s):
- [www.produitsdebourse.bnpparibas.fr]/[www.listedproducts.cib.bnpparibas.be]/[www.educatedtrading.bnpparibas.se]/[specify]
- Local Business Day Centre(s): [specify]
- (e) Dividend Percentage: [specify]/[Not applicable]
- (N.B. Not applicable in respect of Commodity OET Certificates, Currency OET Certificates or Futures OET Certificates)*
- (f) Financing Rate: [specify rate] [+/-] [specify margin]
- (g) Automatic Early Redemption: [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Observation Price: [Official level]/[Opening price]/[Closing price]/[Purchase price]/[Sale price]/[Traded price]/[Bid price]/[Asked price]/[Last price]/[specify]
- (ii) Observation Time(s): [At any time during the opening hours of the Exchange]/[specify]
- (iii) Security Threshold: [As per OET Certificate Conditions]/[specify]
- The Security Threshold in respect of a Relevant Business Day will be published as soon as practicable after its determination on the OET Website(s), as set out in paragraph 39(d)
- (iv) Security Threshold Rounding Rule: [specify]
- (v) Security Percentage: [specify]
- (vi) Minimum Security Percentage: [specify]/[Not applicable]
- (vii) Maximum Security Percentage: [specify]/[Not applicable]
- (viii) Reset Date: [As per OET Certificate Conditions]/[specify]

- (h) Other provisions: [specify]/[Not applicable]
40. Additional Disruption Events: [Applicable/Not applicable]/[Change in Law/Hedging Disruption] does not apply to the Securities] [Hedging Disruption – PRC Disruption applies]
41. Optional Additional Disruption Events: (a) The following Optional Additional Disruption Events apply to the Securities:
- (Specify each of the following which applies. N.B. Optional Additional Disruption Events are applicable to certain Index Securities, Share Securities, ETI Securities and Commodity Securities. Careful consideration should be given to whether Optional Additional Disruption Events would apply for Debt Securities, Currency Securities and Fund Securities and, if so, the relevant definitions will require amendment. Careful consideration should be given to any Additional Disruption Events and/or Optional Additional Disruption Events in the case of U.S. Securities)*
- [Not applicable]
- [Administrator/Benchmark Event]
- [Increased Cost of Hedging]
- [Increased Cost of Stock Borrow]
- [Insolvency Filing]
- (N.B. Only applicable in the case of Share Securities)*
- [Cancellation Event]
- (N.B. Only applicable in the case of Debt Securities)*
- [Loss of Stock Borrow]
- [[Stop-Loss Event]
- [Stop-Loss Event Percentage: [5] per cent.]]
- [Currency Event]
- [Force Majeure Event]
- [Jurisdiction Event]

[Failure to Deliver due to Illiquidity]

*(N.B. Only applicable in the case of Physical Delivery Securities that are not U.S. Securities – Failure to Deliver due to Illiquidity is applicable to certain Share Securities. Careful consideration should be given to whether Failure to Deliver due to Illiquidity would apply to other Physical Delivery Securities)*

- (b) [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant Share/Security] is [●].

*(N.B. Only applicable if Loss of Stock Borrow is applicable)*

[The Initial Stock Loan rate in respect of [specify in relation to each relevant Share/Security] is [●].

*(N.B. Only applicable if Increased Cost of Stock Borrow is applicable)*

- (c) Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event (in the case of Certificates): [Applicable/Not applicable]

[If applicable: Principal Protected Termination Amount: [Applicable/Not applicable]

[if Principal Protected Termination Amount is applicable: Protected Amount: [specify] per cent. of the Notional Amount]]

**42. Knock-in Event:**

[Applicable/Not applicable]

[If applicable:

[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"/"within"]]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (a) Knock-in Level/Knock-in Range Level: [specify]/[From and including/From but excluding][specify][to and including/to but excluding][specify]]

- (b) Knock-in Period Beginning Date: [specify]

- (c) Knock-in Period Beginning Date Day Convention: [Applicable/Not applicable]
- (d) Knock-in Determination Period: *[specify]*/[See definition in Condition 16]
- (e) Knock-in Determination Day(s): *[specify]*/[Each Scheduled Trading Day in the Knock-in Determination Period]/[Each Scheduled Custom Index Business Day in the Knock-in Determination Period]/[Each Commodity Business Day in the Knock-in Determination Period]
- (f) Knock-in Period Ending Date: *[specify]*
- (g) Knock-in Period Ending Date Day Convention: [Applicable/Not applicable]
- (h) Knock-in Valuation Time: *[specify]*/[See definition in Condition 16]/[Valuation Time]/[Any time on a Knock-in Determination Day]
- 43.** Knock-out Event: [Applicable/Not applicable]
- [If applicable:
- [specify]*/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"]]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Knock-out Level /Knock-out Range Level: *[specify]*
- (b) Knock-out Period Beginning Date: *[specify]*
- (c) Knock-out Period Beginning Date Day Convention: [Applicable/Not applicable]
- (d) Knock-out Determination Period: *[specify]*/[See definition in Condition 16]
- (e) Knock-out Determination Day(s): *[specify]*/[Each Scheduled Trading Day in the Knock-out Determination Period]/[Each Scheduled Custom Index Business Day in the Knock-out Determination Period]/[Each Commodity Business Day in the Knock-out Determination Period]
- (f) Knock-out Period Ending Date: *[specify]*

- (g) Knock-out Period Ending Date Day Convention: [Not applicable/Applicable]
- (h) Knock-out Valuation Time: [*specify*]/[See definition in Condition 16] [Any time on a Knock-out Determination Day]/[Valuation Time]

## PROVISIONS RELATING TO WARRANTS

44. Provisions relating to Warrants: [Applicable][Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

- (a) Units: Warrants must be exercised in Units. Each Unit consists of the number of Warrants set out in "*Specific Provisions For Each Series*" above. (*N.B. This is in addition to any requirements relating to "Minimum Exercise Number" or "Maximum Exercise Number" as set out" below*).
- (b) Minimum Exercise Number: The minimum number of Warrants that may be exercised (including automatic exercise) on any day by any Holder is [●] [and Warrants may only be exercised (including automatic exercise) in integral multiples of [●] Warrants in excess thereof].
- (c) Maximum Exercise Number: The maximum number of Warrants that must be exercised on any day by any Holder or group of Holders (whether or not acting in concert) is [●]. (*N.B. not applicable for European Style Warrants [and therefore generally not available for Finnish and Swedish Dematerialised Warrants]*)
- (d) Exercise Price(s): The exercise price(s) per [Warrant/Unit] (which may be subject to adjustment in accordance with Annex 2 in the case of Share Securities, Annex 1 in the case of Index Securities and Annex 5 in the case of Commodity Securities) is set out in "*Specific Provisions For Each Series*" above. (*N.B. This should take into account any relevant Weighting and, in the case of an Index Security, must be expressed as a monetary value*).
- (e) Exercise Date: The exercise date of the Warrants is set out in "*Specific Provisions For Each Series*" above, provided that, if such date is not an Exercise Business Day, the Exercise Date shall be the immediately succeeding Exercise Business Day. (*N.B. Only applicable in relation to European Style Warrants*).
- (f) Exercise Period: The exercise period in respect of the Warrants is set out in "*Specific Provisions For Each Series*" above, [inclusive of the dates specified] [, or if either day specified is not an

Exercise Business Day, the immediately succeeding Exercise Business Day]. *(N.B. Only applicable in relation to certain American Style Warrants).*

(g) Valuation Date: [As defined in Condition 20]/[The Valuation Date shall be the Actual Exercise Date of the relevant Warrant, subject to adjustments in accordance with Condition 20]/[specify]. *(N.B. specify if different from the definition in Condition 20.)*

(h) Strike Date: [specify] *(N.B. Only relevant for certain Index, Share, and Currency Securities)*

(i) Averaging: Averaging [applies/does not apply] to the Warrants. [The Averaging Dates are [specify].] *(Not applicable to Inflation Index Securities)*

[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Condition 20) will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*

[In the event of Modified Postponement applying, the Averaging Date will be determined [specify relevant provisions] *(N.B. Only applicable in relation to Debt Securities, Currency Securities or Fund Securities).*]

[In the event that an Averaging Date is a Disrupted Day, the provisions of Annex 1 will apply] *(N.B. Only applicable in the case of Index Securities relating to a Custom Index)*

(j) Observation Dates: [specify]/[Not applicable]

[In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*

[In the event of Modified Postponement applying, the Observation Date will be determined] [specify relevant provisions] *(N.B. Only applicable in relation to Debt Securities, Currency Securities or Fund Securities).*]

[In the event that an Observation Date is a Disrupted Day, the provisions of Annex 1 will apply] *(N.B. Only applicable in the case of Index Securities relating to a Custom Index)*

(k) Observation Period: [specify]

- (l) Cash Settlement Amount: A Holder, upon due exercise, will receive from the Issuer on the Settlement Date, in respect of each Warrant, a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal to:
- [insert formula]*
- [insert definitions]*
- (N.B. Specify if provisions of Condition 5 not appropriate)*
- (m) Settlement Date: *[specify] (N.B. Applicable for Physical Delivery Warrants, Inflation Index Warrants and Commodity Warrants. Only applicable for Cash Settled Warrants (other than Inflation Index Warrants or Commodity Warrants) if Settlement Date is different from the definition in Condition 20)*
- "Settlement Business Day"** for the purposes of Condition 5 means *[specify]*.
- (N.B. Only applicable in the case of Physical Delivery Warrants)*

## PROVISIONS RELATING TO CERTIFICATES

45. Provisions relating to Certificates: *[Applicable][Not Applicable]*
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (a) Notional Amount of each Certificate: *[[currency]][amount]/[Not applicable]]*.
- (b) Partly Paid Certificates: The Certificates *[are/are not]* Partly Paid Certificates.
- [specify details of the 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 Certificates and interest due on late payment]*
- (N.B. A new form of Global Certificate may be required for Partly Paid Certificates)*
- (c) Interest: *[Applicable/Not Applicable]/[specify]*
- (d) Fixed Rate Provisions: *[Applicable[ - Dual Currency Condition 1 applies (see paragraph 45(n)(xiii)(n)(xiii) below)/Not applicable]*
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*



- (i) Fixed Rate[(s)] of Interest [(including/excluding] on overdue amounts after Redemption Date or date set for early redemption): [specify] per cent. [per annum] [payable [annually/semi-annually/quarterly/monthly] in arrear].
- (ii) Interest Period End Date(s): [specify] in each year.
- (iii) Business Day Convention for Interest Period End Date(s): [Following/Modified Following/Preceding/None/Not applicable]
- (iv) Interest Payment Date(s): [specify] in each year [adjusted in accordance with [specify Business Day Convention and any applicable Business Centre(s) for the definition of "Business Day"]/not adjusted.]
- (v) Business Day Convention for Interest Payment Date(s): [Following/Modified Following/Preceding/None/Not applicable]  
*(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) is (are) expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)*
- (vi) Fixed Coupon Amount[(s)]: [specify] per Certificate
- (vii) Broken Amount[(s)]: [Applicable/Not applicable]
- (viii) Day Count Fraction: [specify] [30/360/Actual/Actual (-[ICMA])/[ISDA])/Actual/365 ([Fixed/Sterling])/Actual/360/360/360/30E/360/[other]
- (ix) Determination Dates: [specify] in each year [insert regular interest payment dates, ignoring issue date or redemption date in the case of a long or short first or last coupon.] (N.B. only relevant where Day Count Fraction is Actual/Actual (ICMA))
- (x) Other terms relating to the method of calculating interest for Fixed Rate Certificates: [Not applicable/give details]

- (e) Floating Rate Provisions [Applicable/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) Interest Period(s): [specify]
- (ii) Interest Period End Date(s): [specify]
- (iii) Business Day Convention for Interest Period End Date(s): [Following/Modified Following/Preceding/FRN/None/Not applicable]  
*(A Business Day Convention must be specified where the Reference Rate is SONIA, SOFR, €STR, SARON or TONA)*
- (iv) Interest Payment Date(s): [specify]
- (v) Business Day Convention for Interest Payment Date(s): [Following/Modified Following/Preceding/FRN/None/Not applicable]  
*(If a Business Day Convention is specified for Interest Period End Date(s), unless Interest Payment Date(s) is (are) expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)*
- (vi) Manner in which Rate of Interest and Interest Amount to be determined: [Screen Rate Determination/ISDA Determination/[FBF Determination]/other (give details)]
- (vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): [specify]
- (viii) Screen Rate Determination: [Applicable – [IBOR]/[SONIA]/[SOFR]/[€STR]/[SARON]/[TONA]]/[Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (A) [Reference Rate: [specify]

*(Either EURIBOR, STIBOR, SONIA, SOFR, €STR, SARON, TONA or other, although additional information is required if other – [including fall back provisions])*

(B) Interest Determination Date(s):

*[specify]*

*(Second T2 day prior to the start of each Interest Period if the Reference Rate is EURIBOR or second Stockholm business day prior to the start of each Interest Period if the Reference Rate is STIBOR)*

*[[●] London Business Days prior to each Interest Period End Final Date]*

*(Include where the Reference Rate is SONIA)*

*[[●] U.S. Government Securities Business Days prior to each Interest Period End Final Date]*

*(Include where the Reference Rate is SOFR)*

*[[●] T2 Business Days prior to each Interest Period End Final Date]*

*(Include where the Reference Rate is €STR)*

*[[●] Zurich Banking Days prior to each Interest Period End Final Date]*

*(Include where the Reference Rate is SARON)*

*[[●] Tokyo Banking Days prior to each Interest Period End Final Date]*

*(Include where the Reference Rate is TONA)*

(C) Specified Time:

*[Include where the Reference Rate is EURIBOR: 11:00 am, Brussels time]/[Include where the Reference Rate is STIBOR: 11:00am, Stockholm time][Not Applicable]*

(D) Relevant Screen Page:

*[specify]/[The SOFR Screen Page]/[ECB Website]*

*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fall back provisions appropriately)*

*(Where the Reference Rate is SONIA and the Observation Method is SONIA Index with Observation Shift, include*

*details as to where the SONIA Index is published or displayed and the relevant time for publication.)*

- (E) [Calculation Method: *[Include where the Reference Rate is SONIA: [Compounded Daily]/[Weighted Average]*
- [Include where the Reference Rate is SOFR: [SOFR Arithmetic Mean]/[SOFR Compound]]*
- [Include where the Reference Rate is TONA: [TONA Compound: [TONA Compound with Lookback]/[TONA Compound with Observation Period Shift]*
- (F) [Observation Method: *[Include where the Reference Rate is SONIA: [Lag]/[Lock-out]/[Shift]/[SONIA Index with Observation Shift]*
- [Include where the Reference Rate is SOFR: [SOFR Compound with Lookback]/[SOFR Compound with Observation Period Shift]/[SOFR Index with Observation Shift]*
- [Include where the Reference Rate is €STR: [Lag]/[Shift]]*
- [Include where the Reference Rate is TONA: [TONA Compound with Lookback]/[TONA Compound with Observation Period Shift]*
- (G) [Lookback Period: *[[specify] [London Business Days]/[U.S. Government Securities Business Days]/[T2 Business Days]/[Zurich Banking Days]/[Tokyo Banking Days]/[As per the Conditions]/[Not applicable]*
- (Include where the Reference Rate is SONIA, SOFR (where the Calculation Method is SOFR Compound: SOFR Compound with Lookback), €STR, SARON or TONA (where the Calculation Method is TONA Compound with Lookback) and ensure that any Early Redemption Amounts include amounts in respect of accrued interest.)*
- (H) [Observation Shift Days: *[[specify] U.S. Government Securities Business Days]/[As per the Conditions]/[Not applicable]*
- (Include where the Reference Rate is SOFR and the Calculation Method is SOFR Compound: SOFR with Observation Period Shift or SOFR Index with Observation Shift)*
- [[specify] Relevant Business Days]/[As per the Conditions]/[Not applicable]*
- [Observation Shift Business Centre(s): [specify]]*

*(Include where the Reference Rate is TONA and the Calculation Method is TONA Compound with Observation Period Shift)*

- (I) [SOFR Cut-Off Date: [As per Conditions]/[specify] U.S. Government Securities Business Days]/[Not applicable]]

*(Include where the Reference Rate is SOFR. Must apply where the Calculation Method is SOFR Arithmetic Mean)*

- (J) [SOFR Replacement Alternatives Priority: [As per Conditions]/[specify order of priority of SOFR Replacement Alternatives listed in Security Condition 32(b)(v)(C)IV]]

- (K) [Rate Cut-Off Time: [specify]/[Not applicable]]

*(Include where the Reference Rate is €STR)*

- (L) [ISDA Definitions: [2006 ISDA Definitions]/[2021 ISDA Definitions]

*(Include where the Reference Rate is either SOFR or €STR)*

- (ix) ISDA Determination: [Applicable/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (A) [Floating Rate Option: [specify]

- (B) [Designated Maturity: [specify]

- (C) [Reset Date: [specify]]

*(N.B. The fall-back provisions applicable to ISDA Determination under the 2006 ISDA Definitions are reliant upon the provision by reference banks of offered quotations for EURIBOR which, depending on market circumstances, may not be available at the relevant time)*

- (x) Margin(s): [+/-][specify] per cent. per annum

- (xi) Minimum Interest Rate: [specify] per cent. per annum

- (xii) Maximum Interest Rate: [specify] per cent. per annum

- (xiii) Day Count Fraction: [specify]/[unadjusted]

- (xiv) Fallback provisions, [specify]  
day count fraction,  
rounding provisions  
and any other terms  
relating to the method  
of calculating interest  
on Floating Rate  
Certificates if different  
from those set out in  
the Conditions:
- (f) Linked Interest Certificates [Applicable – see [Index/Share/ETI/Debt/Commodity/  
Inflation Index/Currency/Fund/Futures] Linked Interest  
Certificates below/Not applicable]
- (If not applicable, delete the remaining sub-paragraphs  
of this paragraph)*
- (i) Party responsible for [specify]  
calculating Rate(s) of  
Interest and Interest  
Amount(s) (if not the  
Calculation Agent):
- (ii) Provisions for [specify]  
determining coupon  
where calculation by  
reference to Formula  
is impossible or  
impracticable:
- (iii) Interest Period(s): [specify]
- (iv) Interest Period End [specify]  
Date(s):
- (v) Business Day [Following/Modified  
Convention for  
Interest Period End  
Date(s): Following/Preceding/FRN/None/Not applicable]
- (vi) Interest Payment [specify]  
Date(s):
- (vii) Business Day [Following/Modified  
Convention for  
Interest Payment  
Date(s): Following/Preceding/FRN/None/Not applicable]

*(If a Business Day Convention is specified for Interest  
Period End Date(s), unless Interest Payment Date(s) is*

*(are) expressed to be a number of Business Days after the relevant Interest Period End Final Date, Interest Payment Date(s) must be subject to the same Business Day Convention)*

- (viii) Day Count Fraction: [specify]
- (g) Payment of Premium Amount(s): [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
- (i) [Premium Amount(s)] [specify]
- (ii) Linked Premium Amount Certificates: [Applicable - see [Index/Share/ETI/Debt/Commodity/Inflation Index/Currency/Fund/Futures] Linked Premium Amount Certificates below/Not applicable]
- (iii) Premium Amount Payment Date(s): [specify]
- (iv) Premium Amount Record Date(s): [specify]
- (h) Index [Interest/Premium] Linked Amount Certificates: [Applicable/Not applicable]
- (i) Index/Basket of Indices/Index Sponsor(s): *[[Insert type of Index/Indices (e.g. total return, price return, etc.) and] specify name of Index/Indices]*  
*[specify name of Index Sponsor(s)]*  
*[The [●] Index is a Composite Index]<sup>49</sup>*  
*[The [●] Index is a Custom Index]*  
*[Asset Class Type: [Equity]/[Commodity] Custom Index]<sup>50</sup>*
- (ii) Formula: [specify]
- (iii) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]  
*[In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] [the provisions of Annex 1] will apply.]*  
*[Specified Maximum Days of Disruption will be equal to [●]/[twenty]]*

<sup>49</sup> Specify each Composite Index (if any).  
<sup>50</sup> Specify each Custom Index (if any).

*(N.B. Only applicable in the case of Custom Indices; if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)*

(iv) [Interest/Premium Amount] Valuation Time: [specify]

(v) [Interest/Premium Amount] Valuation Date(s): [specify]

(vi) Index Correction Period [As per Conditions/specify]

(vii) Observation Dates: [specify]

[In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement][the provisions of Annex 1] will apply.]

[Specified Maximum Days of Disruption will be equal to [●]/[twenty]]

*(N.B. Only applicable in the case of Custom Indices; if no Specified Maximum Days of Disruption are stated, Specified Maximum Days of Disruption will be equal to twenty)*

(viii) Observation Period: [specify]

(ix) Specified Maximum Days of Disruption: [[As defined in Condition 1]/[specify] [Scheduled Trading Days]]

(x) Exchange(s): [specify]

(xi) Related Exchange(s): [specify]/[All Exchanges]

(xii) Exchange Business Day: [Single Index Basis/All Indices Basis/Per Index Basis]  
[Exchange/Related Exchange: Applicable]

(xiii) Scheduled Trading Day: [Single Index Basis/All Indices Basis/Per Index Basis]  
[Exchange/Related Exchange: Applicable]

*(must match election made for Exchange Business Day)*

(xiv) Weighting: [The weighting to be applied to each item comprising the Basket of Indices to ascertain the Settlement Price is [●]. Each such Weighting shall be subject to adjustment in accordance with Annex 1 [specify other].]/[Not



applicable] (N.B. Only applicable in relation to Securities relating to a Basket of Indices)

- (xv) Settlement Price: The Settlement Price will be calculated *[insert calculation method if different from Annex 1]*
- (xvi) Other terms or special conditions: [Not applicable]/*[specify]*
- (xvii) Additional provisions applicable to Custom Indices: [Applicable/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

- (A) Screen Page: [●]
- (B) Disrupted Day: If an Interest Valuation Date, Observation Date or Averaging Date is a Disrupted Day, the Settlement Price will be calculated *[insert calculation method]*
- (C) Strike Date: [●]
- (D) Strike Price: The Strike Price will be calculated as per Conditions/[●] *[insert calculation method]*
- (E) [Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)(Single Custom Index Basis)]]  
*(Delete this sub-paragraph in the case of Equity Custom Index Securities or Commodity Custom Index Securities)*
- (F) [Scheduled Custom Index Business Day: [(All Custom Indices Basis)/(Per Custom Index Basis)(Single Custom Index Basis)]]  
*(Delete this sub-paragraph in the case of Equity Custom Index Securities or Commodity Custom Index Securities)*  
  
*(must match election made for Custom Index Business Day)*
- (G) Valuation Time: [As per the Conditions]/[●], being the time specified on the Valuation Date or an Averaging Date or an Observation Date, as the case may be, for the calculation of the Settlement Price.] (N.B. if no time is specified, the Valuation Time will be as per the Conditions)]
- (H) [Custom Index Correction Period: [As per Conditions]/[●]*specify*]]  
*(Delete this sub-paragraph in the case of Equity Custom Index Securities or Commodity Custom Index Securities)*

- (I) Delayed Redemption on Occurrence of Custom Index Adjustment Event [or Commodity Custom Index Market Disruption Event]: [Applicable with a rate of [●] per cent. per annum/Not applicable]
- (J) Custom Index Low Closing Trigger Event: [Applicable/Not applicable]  
*[If Custom Index Low Closing Trigger Event is applicable:*  
 Delayed Redemption on Occurrence of Custom Index Low Closing Trigger Event: [Applicable/Not applicable]  
 Low Closing Trigger Percentage: [●] per cent.  
 Low Closing Trigger Period: *[specify]*/[As per Conditions]]
- (K) Outstanding Securities Trigger Event: [Applicable/Not applicable]  
*[If Outstanding Securities Trigger Event is applicable:*  
 Delayed Redemption on Occurrence of Outstanding Securities Trigger Event: [Applicable/Not applicable]  
 Outstanding Securities Trigger Level: *[specify number of Certificates]*]
- (L) Other terms or special conditions: [Not applicable]/*[specify]*
- (i) Share Linked/ETI Share Linked [Interest/Premium Amount] Certificates: [Applicable/Not applicable]  
 [Share Securities: [Applicable/Not applicable]]  
 [ETI Share Securities: [Applicable/Not applicable]]  
*(In the case of Hybrid Securities which are Share Securities and ETI Share Securities, repeat subparagraphs (i) to (xxiv) below for Share Securities and ETI Securities to which the ETI Share Provisions apply, as required)*

- (i) Share(s)/Share Company/Basket Company/GDR/ADR/ETI Interest/Basket of ETI Interests: [insert type of Share(s) and Share Company/Basket Companies/ETI Interest(s) and ETI(s)]
- [ISIN][Screen Page][Exchange Code]
- [insert GDR/ADR]<sup>51</sup>
- [Stapled Shares applicable]
- [Insert details of Stapled Shares and Stapled Share Constituents]<sup>52</sup>
- [China Connect applicable]<sup>53</sup>
- (ii) Relative Performance Basket: [Not applicable/specify]
- (Always specify as "Not applicable" where ETI Share Securities is specified as applicable)
- (iii) Formula: [specify]
- [N.B If Formula includes an initial closing price use term "Initial Price" for relevant definition]
- (iv) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]
- [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (v) [Interest/Premium Amount] Valuation Time: [specify]
- (vi) [Interest/Premium Amount]Valuation Date(s): [specify]
- (vii) Observation Dates: [specify]
- [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (viii) Observation Period: [specify]

<sup>51</sup> In the case of Share Linked Interest Certificates relating to a GDR/ADR, complete Share Linked Interest Certificates Final Terms as applicable for GDR/ADR references asset(s).

<sup>52</sup> Specify each Stapled Share Constituent comprising the Stapled Shares. In the case of Share Securities relating to Stapled Shares, complete Share Securities Final Terms as applicable for Stapled Shares reference asset(s).

<sup>53</sup> Not applicable for ETI Securities.

- (ix) Specified Maximum Days of Disruption: [[As defined in Condition 1]/[specify] [Scheduled Trading Days]]
- (x) Exchange(s): [specify]
- (xi) Related Exchange(s): [specify]/[All Exchanges]
- (xii) Exchange Business Day: [Single [Share/ETI Interest] Basis/All [Shares/ETI Interests] Basis/Per [Share/ETI Interest] Basis]
- (xiii) Scheduled Trading Day: [Single [Share/ETI Interest] Basis/All [Shares/ETI Interests] Basis/Per [Share/ETI Interest] Basis]
- (must match election made for Exchange Business Day)*
- (xiv) Weighting: [The weighting to be applied to each item comprising the Basket of [Shares/ETI Interests] to ascertain the Settlement Price is [specify]. Each such Weighting shall be subject to adjustment [in accordance with Annex [2]/[3]/[specify other].]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket of Shares or a Basket of ETI Interests)]
- (xv) Settlement Price: The Settlement Price will be calculated [insert calculation method if different from Annex 2]. (N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.)
- (xvi) Share/ETI Interest Correction Period: [As per Conditions/specify]
- (xvii) [Dividend Payment: [Applicable/Not applicable]]<sup>54</sup>
- (xviii) Listing Change: [Applicable/Not applicable]
- (xix) Listing Suspension: [Applicable/Not applicable]
- (xx) Illiquidity: [Applicable/Not applicable]
- (xxi) Tender Offer: [Applicable/Not applicable]<sup>55</sup>
- (xxii) [China Connect Share Disqualification: [Applicable/Not applicable]
- (xxiii) China Connect Service Termination: [Applicable/Not applicable]]<sup>56</sup>
- (xxiv) Other terms or special conditions: [Not Applicable/[specify]]

<sup>54</sup> Not applicable in respect of ETI Securities.

<sup>55</sup> Only to be disappplied for Tokyo EQD Securities.

<sup>56</sup> Only applicable if China Connect is applicable.

- (j) ETI Linked [Interest/Premium Amount] Certificates: [Applicable/Not applicable]
- [ETI Share Provisions: [Applicable – see item 44(i) (Share Linked/ETI Share Linked [Interest/Premium Amount] Certificates) above /Not applicable]]
- (If applicable and sub-paragraphs (i) to (xxxvi) are not required for Hybrid Securities, delete sub-paragraphs (i) to (xxxvi) and complete item 44(i) (Share Linked/ETI Share Linked [Interest/Premium Amount] Certificates) above.)*
- (i) ETI/ETI Basket: [specify]
- (ii) ETI Interest(s): [Insert type of ETI Interest(s)]
- (iii) Formula: [specify]
- (iv) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]
- (v) Exchange(s): [specify]/[Not applicable]
- (vi) Related Exchange: [specify]/[All Exchanges]/[Not applicable]
- (vii) Exchange Business Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (viii) Scheduled Trading Day: [All ETI Interests Basis/Per ETI Interest Basis/Single ETI Interest Basis]
- (ix) ETI Related Party: [As per Conditions]/[specify]
- (x) Calculation Date(s): [As per Conditions]/[specify]
- (xi) Initial Calculation Date: [specify]/[Not applicable]
- (xii) Final Calculation Date: [specify]/[Not applicable]
- (xiii) Hedging Date: [specify]
- (xiv) Investment/AUM Level: [As per Conditions][specify]
- (xv) Value per ETI Interest Trading Price Barrier: [As per Conditions]/[specify]
- (xvi) Number of Value Publication Days: [[●] calendar days] [[●] Value Business Days]
- [Value Business Day Centre(s): [specify]]

(N.B. Only applicable if Number of Value Publication Days is calculated by reference to Value Business Days)]

- (xvii) Value Trigger Percentage: [As per Conditions]/[specify]
- (xviii) Value Trigger Period: [As per Conditions]/[specify]
- (xix) Basket Trigger Level: [As per Conditions]/[specify]
- (xx) Settlement Price: The Settlement Price will be calculated [insert calculation method if different from Annex 3]  
[Official closing price]/[Value per ETI Interest]
- (xxi) Valuation Time: [specify]
- (xxii) Specified Maximum Days of Disruption: [As per Conditions]/[specify]
- (xxiii) [Interest/ Amount] Premium Valuation Time: [specify]
- (xxiv) [Interest/ Amount] Premium Valuation Date: [specify]
- (xxv) Additional Extraordinary ETI Event(s): [specify]
- (xxvi) Maximum Stock Loan Rate: [The Maximum Stock Loan Rate in respect of [specify in relation to each relevant ETI Interest] is [●].]
- (xxvii) ETI Interest Correction Period: [specify]
- (xxviii) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[As per Conditions]/[specify]  
  
(N.B. Principal Protected Termination Amount and Non-Principal Protection Termination Amount are applicable to Certificates only)
- (xxix) Simple Interest Spread (in the case of Certificates only): [As per Conditions]/[specify]
- (xxx) Termination Date: [specify]

- (xxxi) Weighting: The Weighting to be applied to each ETI Interest comprising the ETI Basket is *[specify]*/[Not applicable]
- (xxxii) ETI Documents: [As per Conditions]*[specify]*
- (xxxiii) Protected Amount (in the case of Certificates only): *[specify]*
- (xxxiv) Delayed Redemption on Occurrence of an Extraordinary ETI Event (in the case of Certificates only): [Applicable/Not applicable]
- (xxxv) Delayed Payment Cut-off Date: *[specify]*
- (xxxvi) Other terms or special conditions: [Not applicable]/*[specify]*
- (k) Debt Linked [Interest/Premium Amount] Certificates: [Applicable/Not applicable]
- (i) Debt Instruments: *[specify]*
- (ii) Formula: *[specify]*
- (iii) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]
- [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (iv) [Interest/Premium Amount] Valuation Time: *[specify]*
- (v) [Interest/Premium Amount] Valuation Date: *[specify]*
- (vi) Observation Dates: *[specify]*
- [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]
- (vii) Observation Period: *[specify]*
- (viii) Specified Maximum Days of Disruption: [As defined in Condition 1/[*specify*] Scheduled Trading Days]

- (ix) Redemption of underlying Debt Instruments: Where one or more of the relevant Debt Instruments is redeemed (or otherwise ceases to exist) before the expiration of the relevant Certificates, *[insert appropriate fall back provisions]*.
- (x) Exchange Business Day: "**Exchange Business Day**" means *[specify]*.
- (xi) Other terms or special conditions: [Not applicable]/*[specify]*
- (l) Commodity Linked [Interest/Premium Amount] Certificates: [Applicable/Not applicable]
- (i) Commodity/Commodities/Commodity Index/Commodity Indices: [specify Commodity/Commodities/Commodity Index/Commodity Indices]
- [The Sponsor[s] of the Commodity Index/Indices is [●]]
- (ii) Formula: *[specify]*
- (iii) Interest Pricing Date(s): *[specify]*
- (iv) Initial Interest Pricing Date: *[specify]*
- (v) Final Interest Pricing Date: *[specify]*
- (vi) Commodity Reference Price: *[specify]*
- The Price Source is/are [●]<sup>57</sup>
- (vii) Delivery Date: *[specify]*/[Not applicable]
- (viii) Nearby Month: *[specify]*/[Not applicable]
- (ix) Specified Price: *[specify]*/[Not applicable]
- (x) Exchange: *[specify]*/[Not applicable]
- (xi) Disruption Fallback(s): [As per Conditions]/*[specify]*
- (xii) [Interest/Premium Amount]Valuation Time: *[specify]*

<sup>57</sup>

Delete if using automated Commodity Reference Prices



- (xiii) Specified Maximum Days of Disruption: [As defined in Condition 1]/[specify]<sup>58</sup>
- (xiv) Weighting: [The Weighting to be applied to each item comprising the Commodity Basket is [specify]]/[Not applicable]
- (xv) Rolling Futures Contract Securities: [Yes/No]  
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (xvi) Futures Rollover [Date/Period]: [Not applicable]/[specify]
- (xvii) Other terms or special conditions: [Not applicable]/[specify]
- (m) Inflation Index Linked [Applicable/Not applicable]  
[Interest/Premium Amount]  
Certificates:
- (i) Inflation Index/Sponsor: [specify name of inflation index/indices]  
[specify name of inflation index sponsor(s)]
- (ii) Formula: [specify]
- (iii) Related Bond: [Applicable/Not applicable] [if applicable, specify]
- (iv) Issuer of Related Bond: [Applicable/Not applicable]
- (v) Fallback Bond: [Applicable/Not applicable]
- (vi) Related Bond Redemption Event: [Applicable/Not applicable] [if applicable, specify]
- (vii) Substitute Inflation Index Level: [As determined in accordance with Annex 6] [specify]
- (viii) Cut-off Date: In respect of a [Valuation Date], the day that is [specify] Business Days prior to such [Valuation Date].
- (ix) [Interest/Premium Amount] Valuation Date: [specify]
- (x) Valuation Time: [specify]
- (xi) Reference Month: [specify]

<sup>58</sup>

Only applicable in respect of Commodity Securities linked to a single Commodity.

- (xii) Other terms or special conditions: [Not applicable]/[specify]
- (n) Currency [Interest/Premium Amount] Linked Amount] [Applicable/Not applicable]  
 Certificates: *(If the Certificates are Dual Currency Certificates where the Settlement Currency of the Interest Amount is dependent on whether the Dual Currency Condition has been satisfied, specify "Applicable" and complete relevant prompts below.)*
- (i) The relevant base currency (the "**Base Currency**") is: [specify]
- (ii) The relevant subject [currency/currencies] [the]/[each a] "**Subject Currency**" [is/are]: [specify]
- (iii) Formula: [specify]
- (iv) Weighting: [specify]
- (v) Price Source: [specify]/[Insert in the case of Dual Currency Certificates: Not applicable]
- (vi) Specified Maximum Days of Disruption: [specify]/[five] Scheduled Trading Days
- (vii) Averaging Date(s): [specify]/[Not Applicable]
- (viii) Observation Date(s): [specify]/[Not Applicable]
- (ix) Strike Date: [specify]/[Not Applicable]
- (x) Relevant Screen Page: [specify]
- (xi) Valuation Time: [specify]
- (xii) [Interest/Premium Amount] Valuation Date: [specify]/[Not Applicable]
- (xiii) [Dual Currency Certificates: [Applicable/Not applicable]  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*  
 [Dual Currency Condition [1]/[2]: [Less than]/[Less than or equal to]/[Greater than]/[Greater than or equal to]]

		[Dual Currency Determination Date(s): <i>[specify]</i> /[each Valuation Date]]
		[Strike Rate: <i>[[specify set exchange rate]</i> , expressed as the number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged]]
(xiv)	Other terms or special conditions:	[Not applicable]/ <i>[specify]</i>
(o)	Fund Linked [Interest/Premium Amount] Certificates:	[Applicable/Not applicable]
(i)	Fund/Fund Basket:	<i>[specify]</i>  [The [●] Fund is a Mutual Fund]  The [●] Fund is a Hedge Fund]  [The [●] Fund is a Private Equity Fund]
(ii)	Fund Share(s):	<i>[specify]</i>
(iii)	Formula:	<i>[specify]</i>
(iv)	Fund Documents:	[As per Conditions] <i>[specify]</i>
(v)	Fund Business Day:	[All Fund share Basis] [Per Fund share Basis][Single Fund share Basis]
(vi)	Fund Service Provider:	[As per Conditions]/ <i>[specify]</i>
(vii)	[Interest/Premium Amount] Valuation Date:	<i>[specify]</i>
(viii)	Calculation Date(s):	[As per Conditions]/ <i>[specify]</i>
(ix)	Initial Calculation Date:	[As per Conditions]/ <i>[specify]</i>
(x)	Final Calculation Date:	<i>[specify]</i>
(xi)	Hedging Date:	<i>[specify]</i>
(xii)	AUM Level:	[As per Conditions]/ <i>[specify]</i>
(xiii)	NAV Trigger Percentage:	[As per Conditions]/ <i>[specify]</i>
(xiv)	NAV Trigger Period:	<i>[specify]</i>

- (xv) Volatility Trigger Event: [Applicable/Not applicable]  
*[If Volatility Trigger Event is applicable:*  
Volatility Trigger Percentage: *[specify]*  
Volatility Trigger Period: *[As per Conditions]/[Specify]*
- (xvi) Number of NAV Publication Days: [As per Conditions]/*[specify]*
- (xvii) Basket Trigger Level: [As per Conditions]/*[specify]*
- (xviii) Fee: *[specify]*[Not applicable]
- (xix) Extraordinary Fund Event(s) (in the case of a Private Equity Fund only): *[specify]*
- (xx) Additional Extraordinary Fund Event(s): *[specify]*
- (xxi) Termination Amount: [Principal Protected Termination Amount]/[Non-Principal Protected Termination Amount]/[As per Conditions]/*[specify]*  
*(N.B. Principal Protected Termination Amount and Non-Principal Protection Termination Amount are applicable to Certificates only)*
- (xxii) Simple Interest Spread (in the case of Certificates only): [As per Conditions]/*[specify]*
- (xxiii) Termination Date: *[specify]*
- (xxiv) Weighting: [The Weighting to be applied to each Fund Share comprising the Fund/Fund Basket is *[specify]*]/[Not applicable]
- (xxv) Delayed Redemption on Occurrence of an Extraordinary Fund Event (in the case of Certificates only): [Applicable/Not applicable]
- (xxvi) Delayed Payment Cut-off Date: [As per Conditions]/*[specify]*

- (xxvii) Protected Amount (in the case of Certificates only): [specify] per Security
- (xxviii) Other terms or special conditions: [Not applicable]/[specify]
- (p) Futures Linked [Applicable/Not applicable]  
[Interest/Premium Amount]  
Certificates:
- (i) Future(s): Rolling Futures Contract Securities: [Yes/No]
- [insert type of Future(s)]/[If the Futures Securities are Rolling Futures Contract Securities: Futures Security Condition 5 applies]
- [specify underlying asset(s) or basis (or bases) of reference]
- [specify contract size]
- [specify delivery or expiry date] (Not applicable in the case of Futures Securities that are Rolling Futures Contract Securities)
- Period of Futures: [Not applicable]/[specify] (Only applicable in the case of Futures Securities that are Rolling Futures Contract Securities)
- Futures Rollover [Date/Period]: [Not applicable]/[specify] (Only applicable in the case of Futures Securities that are Rolling Futures Contract Securities)
- Futures Exchange(s): [specify]
- (ii) Formula: [specify] (N.B If Formula includes an initial closing price use term "Initial Price" for relevant definition)
- (iii) Futures Currency [specify]/[Not applicable]<sup>59</sup>
- (iv) Averaging: Averaging [applies/does not apply]. [The Averaging Dates are [●].]
- [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.]

<sup>59</sup>

Specify "Not applicable" in the case of W&C Securities that are Warrants.

- (v) [Interest/ Premium Valuation Amount] Time: [specify]
- (vi) Valuation Date: [specify]
- (vii) Observation Dates: [specify]
- [In the event that an Observation Date is a Disruption Day [Omission/Postponement/Modified Postponement] will apply.]
- (viii) Observation Period: [specify]
- (ix) Specified Maximum Days of Disruption: [As defined in Condition 1]/[specify] [Scheduled Trading Days]
- (x) Exchange(s): [specify]
- (xi) Exchange Business Day: [Single Future Basis/All Futures Basis/Per Futures Basis]
- (xii) Scheduled Trading Day: [Single Future Basis/All Futures Basis/Per Futures Basis]  
(must match election made for Exchange Business Day)
- (xiii) Weighting: [The weighting to be applied to each item comprising the Basket to ascertain the Settlement Price is [specify]. Each such Weighting shall be subject to adjustment [in accordance with Annex 10/[specify other].]/[Not applicable] (N.B. Only applicable in relation to Securities relating to a Basket)
- (xiv) Settlement Price: The Settlement Price will be calculated [insert calculation method if different from Annex 10]. (N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.)
- (xv) Futures Correction Period: [As per Conditions]/[specify]
- (xvi) Delayed Redemption on Occurrence of a Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Futures (in the case of Certificates only): [Applicable]/[Not applicable]  
[If applicable:  
Principal Protected Termination Amount:  
[Applicable]/[Not applicable]  
[If Principal Protected Termination Amount is applicable: [specify] per cent. of the Notional Amount]]
- (xvii) Other terms or special conditions: [Not applicable]/[specify]]

- (q) Listed Option Linked [Applicable/Not applicable]  
[Interest/Premium Amount]  
Certificates:
- (i) Listed Option [specify underlying asset(s) or basis (or bases) of  
Contract(s): reference]  
  
[specify contract size]  
  
[specify option style]  
  
[specify tenor and expiry date]
- (ii) Options Exchange(s): [specify]
- (iii) Formula: [specify] (N.B If Formula includes an initial closing price  
use term "Initial Price" for relevant definition)
- (iv) Averaging: Averaging [applies/does not apply]. [The Averaging  
Dates are [●].]  
  
[In the event that an Averaging Date is a Disrupted Day  
[Omission/Postponement/Modified Postponement] will  
apply.]
- (v) [Interest/Premium [specify]  
Amount] Valuation  
Time:
- (vi) Valuation Date: [specify]
- (vii) Observation Dates: [specify]  
  
[In the event that an Observation Date is a Disruption Day  
[Omission/Postponement/Modified Postponement] will  
apply.]
- (viii) Observation Period: [specify]
- (ix) Specified Maximum [As defined in Condition 1]/[specify] [Scheduled Trading  
Days of Disruption: Days]
- (x) Exchange Business [Single Listed Option Contract Basis/All Listed Option  
Day: Contracts Basis/Per Listed Option Contract Basis]
- (xi) Scheduled Trading [Single Listed Option Contract Basis/All Listed Option  
Day: Contracts Basis/Per Listed Option Contract Basis]  
  
(must match election made for Exchange Business Day)
- (xii) Weighting: [The weighting to be applied to each item comprising the  
Basket to ascertain the Settlement Price is [specify]. Each  
such Weighting shall be subject to adjustment [in  
accordance with Annex 15/[specify other].]/[Not

*applicable] (N.B. Only applicable in relation to Securities relating to a Basket)*

- (xiii) Settlement Price: The Settlement Price will be calculated *[insert calculation method if different from Annex 15]. (N.B. If Settlement Price includes formula incorporating initial closing price, use term "Initial Price" for relevant definition.)*
- (xiv) Valuation Time: *[specify]*
- (xv) Other terms or special conditions: *[Not applicable]/[specify]]*
- (r) Instalment Certificates: The Certificates *[are/are not]* Instalment Certificates.
  - (i) Instalment Amount(s) *[specify]*
  - (ii) Instalment Date(s): *[specify]*
- (s) Issuer Call Option: *[Applicable/Not applicable]*

*(N.B. If not applicable, delete the remaining sub-paragraphs of this paragraph)*

  - (i) Optional Redemption Date(s): *[specify]*
  - (ii) Optional Redemption Valuation Date(s): *[specify]*
  - (iii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): *[specify]*
  - (iv) Notice Period (if different from those set out in the Conditions): *[specify]*
- (t) Holder Put Option: *[Applicable/Not applicable]*

*(N.B. If not applicable, delete the remaining sub-paragraphs of this paragraph)*

*(N.B. For Preference Share Certificates, Holder Put Option should be "Not applicable")*

  - (i) Optional Redemption Date(s): *[specify]*
  - (ii) Optional Redemption Valuation Date(s): *[specify]*



- (iii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): *[specify]*
- (iv) Notice Period (if different from those set out in the Conditions): *[specify]*
- (u) Automatic Early Redemption<sup>60</sup>: *[Applicable/Not applicable]*  
*[If applicable:*  
*[specify]/["greater than"/"greater than or equal to"/"less than"/"less than or equal to"]]*  
*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*
  - (i) Automatic Early Redemption Amount: *[specify/See definition in Condition 34.9]*  
*[Accrual to Automatic Early Redemption: Applicable]*
  - (ii) Automatic Early Redemption Date(s): *[specify]*
  - (iii) Automatic Early Redemption Level: *[specify]*
  - (iv) Automatic Early Redemption Rate: *[specify]*
  - (v) Automatic Early Redemption Valuation Date(s): *[specify]*
- (v) Cash Settlement Amount: *[insert details of Cash Settlement Amount and how it is to be calculated for Cash Settled Certificates]/[As specified in Preference Share Condition 6]<sup>61</sup>/[As per OET Certificate Conditions]*  
*(N.B. Delete each remaining sub-paragraph of this paragraph that is not applicable)*
  - (i) Bonus Level: *[specify]*
  - (ii) Knock-in Window: *[specify]*

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<sup>60</sup> In respect of OET Certificates, refer to § 34(g) above.

<sup>61</sup> Only applicable in respect of Preference Share Certificates.

- (iii) Lower Level: [specify]
- (iv) Observation Level: [specify]
- (v) Participation Coefficient: [specify]
- (vi) Reference Threshold: [specify]
- (vii) Reverse Level: [specify]
- (viii) Security Barrier: [specify]
- (ix) Strike Price: [specify]
- (x) Upper Level: [specify]
- (xi) Other: [specify]
- (w) Strike Date: [specify]/[Not applicable]
- (N.B. Only relevant for certain Index and Share Securities)*
- (x) Redemption Valuation Date: [specify]/[As specified in Condition [●] in relation to Open End Certificates] / [Not applicable]
- (y) Averaging: Averaging [applies/does not apply] to the Securities. [The Averaging Dates are [specify].] *(Not applicable to Inflation Index Securities)*
- [In the event that an Averaging Date is a Disrupted Day [Omission/Postponement/Modified Postponement] (as defined in Condition 28) will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*
- [In the event of Modified Postponement applying, the Averaging Date will be determined [specify relevant provisions] *(N.B. Only applicable in relation to Debt Securities, Currency Securities or Fund Securities).*]
- [In the event that an Averaging Date is a Disrupted Day, the provisions of Annex 1 will apply] *(N.B. Only applicable to Index Securities relating to a Custom Index)*
- (aa) Observation Dates: [specify]/[Not applicable]
- [In the event that an Observation Date is a Disrupted Day [Omission/Postponement/Modified Postponement] will apply.] *(N.B. Not applicable to Index Securities relating to a Custom Index or Commodity Securities)*

[In the event that an Observation Date is a Disrupted Day, the provisions of Annex 1 will apply] *(N.B. Only applicable to Index Securities relating to a Custom Index)*

[In the event of Modified Postponement applying, the Observation Date will be determined] [specify relevant provisions] *(N.B. Only applicable in relation to Debt Securities, Currency Securities or Fund Securities).]*

- (bb) Observation Period: [specify]/[Not applicable] (Not applicable to Inflation Index Securities)
- (cc) Settlement Business Day: **"Settlement Business Day"** for the purposes of Condition 5 means [specify]. *(N.B. Only applicable in the case of Physical Delivery Securities)*
- (dd) Cut-off Date: [specify]/[Not applicable] (N.B. Only applicable in the case of Physical Delivery Securities and if provisions in Conditions not applicable)

#### **DISTRIBUTION AND U.S. SALES ELIGIBILITY (ALL SECURITIES)**

- 46.** Selling Restrictions: [Insert any additional selling restrictions]
- (a) Eligibility for sale of Securities in the United States to AIs (N.B. Only US Securities issued by BNPP can be so eligible):
    - The Securities are [not] eligible for sale in the United States to AIs.
    - [Where Securities are eligible for sale in the United States to AIs, include the following:
      - (i) The Securities will be issued in the form of Private Placement Definitive Securities;
      - (ii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such Securities to be represented by a Regulation S Global Security)];
      - (iii) The Securities may [not] be transferred to QIBs *(N.B. Securities may only be transferred to QIBs if eligible for sale to QIBs as provided in paragraph (b) below)*;
      - (iv) The Securities may [not] be transferred to non-U.S. persons;
      - (v) The Securities may [not] be transferred to AIs;
      - (vi) [insert applicable U.S. federal and state legends and selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in

*the Conditions (N.B. Such restrictions may be necessary, inter alia, in relation to Commodity Securities)]; and*

(vii) *[specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the Agency Agreement)].]*

(b) Eligibility for sale of Securities in the United States to QIBs within the meaning of Rule 144A (N.B. except as provided in (c) below only U.S. Securities issued by BNPP can be so eligible): The Securities are [not] eligible for sale in the United States under Rule 144A to QIBs.

(a) [Where Securities are eligible for sale in the United States under Rule 144A to QIBs, include the following:

(i) The Rule 144A Global Security will be deposited with [a custodian for DTC]/[a common depositary on behalf of Clearstream, Luxembourg/Euroclear/Iberclear/other relevant clearing system];

(ii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such securities to be represented by a Regulation S Global Security)];

(iii) The Securities may [not] be transferred to QIBs;

(iv) The Securities may [not] be transferred to non-U.S. persons;

(v) The Securities may [not] be transferred to AIs *(N.B. Securities may only be transferred to AIs if eligible for sale to AIs as provided for in paragraph (a) above)*;

(vi) *[insert applicable U.S. federal and state legends and selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Conditions (N.B. Such restrictions may be necessary, inter alia, in relation to Commodity Securities)]; and*

(vii) *[specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the Agency Agreement)].]*

- (c) Eligibility for sale of Securities in the United States to QIBs within the meaning of Rule 144A who are also QPs within the meaning of the Investment Company Act (N.B. All U.S. Securities issued by BNPP B.V. must include these restrictions in lieu of restrictions in (a) or (b) above)
- The Securities are [not] eligible for sale in the United States to persons who are QIBs and QPs
- (a) [Where Securities issued by BNPP B.V. are eligible for sale in the United States, include the following:
- (i) The Securities are issued by BNPP B.V.;
  - (ii) [The Rule 144A Global Security will be deposited with [a custodian for DTC]/[a common depositary on behalf of Clearstream, Luxembourg/Euroclear/Iberclear/other relevant clearing system]];
  - (iii) The Securities may [not] be issued concurrently outside the United States to non-U.S. persons [(such Securities to be represented by a Regulation S Global Security)];
  - (iv) The Securities may only be transferred to persons who are QIBs and QPs;
  - (v) The Securities may [not] be transferred to non-U.S. persons;
  - (vi) The Securities may not be transferred to AIs;
  - (vii) [*insert applicable U.S. federal and state legends and selling restrictions and specify details of any transfer restrictions and any necessary certifications, if different from those set out in the Conditions (N.B. Such restrictions may be necessary, inter alia, in relation to Commodity Securities)*]; and
  - (viii) [*specify any amendments to the form of Exercise Notice (the form of which is set out in a schedule to the Agency Agreement)*].]
47. Additional U.S. Federal income tax considerations:
- [[The Securities are [not] Specified Securities for the purpose of Section 871(m) of the U.S. Internal Revenue Code of 1986.] [The Securities may be Specified Securities for the purpose of Section 871(m) of the U.S.

Internal Revenue Code of 1986 as stated in specific provisions for each series above. If the Securities are Specified Securities, then the following provisions will apply.] [Additional information regarding the application of Section 871(m) to the Securities will be available at [give name(s) and address(es) of Issuer contact].] [The Issuer will arrange for withholding under Section 871(m) to be imposed on any dividend equivalent payment at a rate of 30 per cent.]]

[As at the date of these Final Terms, the Issuer has not determined whether the Securities are Specified Securities for purposes of Section 871(m) of the U.S. Internal Revenue Code of 1986; however, indicatively it considers that they will [not] be Specified Securities for these purposes. **This is indicative information only subject to change and if the Issuer's final determination is different then it will give notice of such determination.** Please contact [give name(s) and address(es) of Issuer contact] for further information regarding the application of Section 871(m) to the Securities.]]

*(The Securities will not be Specified Securities if they (i) are issued prior to 1 January 2025 and are not "delta-one" Securities for U.S. tax purposes or (ii) do not reference any U.S. equity or any index that contains any component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities. If the Securities reference a U.S. equity or an index that contains a component U.S. equity or otherwise provide direct or indirect exposure to U.S. equities and (i) are issued prior to 1 January 2025 and provide a return that does not differ significantly from the return on an investment in the underlying, or (ii) are issued on or after 1 January 2025, further analysis would be required.)*

[Payments on the Specified Securities are calculated by reference to [Net Dividends/Net Total Returns/Estimated Dividends]. By purchasing a Specified Security, the parties agree that in calculating the relevant payment amount the Issuer has withheld, and the purchaser is deemed to have received 30 per cent. of any dividend equivalent payments (as defined in Section 871(m) of the U.S. Internal Revenue Code of 1986, as amended) in respect of the relevant [U.S. securities/U.S. dividend paying index components]. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

[For this purpose, "**Net Dividends**" means the dividends paid by an issuer of a security net of 30 per cent. U.S. federal withholding tax.]

[For this purpose "**Net Total Returns**" means the net total return of the U.S. source dividend paying components, as calculated by the Index Sponsor, of an index that reinvests U.S. source dividends paid by an issuer of a security that is a component of the index net of 30 per cent. U.S. withholding tax on such U.S. source dividends.]]

[For this purpose "**Estimated Dividends**" means the per-share dividend for each anticipated dividend as disclosed by the Issuer in these Final Terms.]

[For the purpose of determining the amount of withholding required under Section 871(m) of the U.S. Internal Revenue Code of 1986, the Estimated Dividends on the Securities are *[[list the estimated amount for each anticipated dividend]/determined using the following formula: [●].]*

48. TEFRA C or TEFRA Not applicable: [TEFRA C]/[TEFRA Not applicable]

49. Registered broker/dealer: [BNP Paribas Securities Corp./[specify other]<sup>62</sup>/[Not applicable]]

*(If syndicated, specify names of the Manager(s))*

## PROVISIONS RELATING TO COLLATERAL AND SECURITY

50. Collateral Security Conditions: [Applicable - Annex 12 (Additional Terms and Conditions for Secured Securities) will apply/Not applicable]

*(If not applicable, delete the remaining sub-paragraphs of this paragraph)*

(a) Collateral Pool: [specify]

(b) Type of Collateral Pool: [Single Series Pool/Multiple Series Pool]

(c) Initial Collateral Assets: [specify]/[See table in Part B for a description of the characteristics applicable for assets to constitute Initial Collateral Assets]/[Not applicable]

(d) Eligible Collateral: [specify]/[See table in Part B for a description of the characteristics applicable for assets to constitute Eligible Collateral] [Cash denominated in an Eligible Currency [Eligible Currency(ies)-[ ] ] [specify eligible currencies if Eligible Collateral consists of cash] [The MTM

<sup>62</sup>

If U.S. Securities [N.B. if U.S. Securities are issued by BNPP B.V., the [broker/dealer] shall be BNP Paribas Securities Corp.]

Adjustable Assets and Reference Collateral Assets set out in paragraph (w) below)] *[Include where Certificates are Collateral Asset Linked Securities]*

- (e) Type of collateralisation: [MTM Collateralisation]/[Partial MTM Collateralisation]/[Nominal Value Collateralisation] / [Partial Nominal Value Collateralisation] [- Partial Collateralisation Level is equal to *[specify]*][NB - where *Partial MTM Collateralisation or Partial Nominal Value Collateralisation is applicable, specify level*]
- (f) Type of enforcement: [Collateral Cash Settlement]/[Physical Delivery Of Collateral] / [See Collateral Security Condition 9][*Specify where the Certificates are Collateral Asset Linked Certificates*]
- (g) Haircut [Applicable/Not applicable]
- (h) Security Termination Amount: [Security Value Termination Amount]/[Security Value Realisation Proceeds]/[Nominal Value Realisation Proceeds]/[Partial Nominal Value Realisation Proceeds]/[Nominal Value Amount]/[Shortfall Value Amount]/*[specify]*/[Security MTM Termination Amount] [NB: *Nominal Value Realisation Proceeds, Partial Nominal Value Realisation Proceeds or Nominal Value Amount should not be specified as the Security Termination Amount if MTM Collateralisation or Partial MTM Collateralisation have been specified in paragraph (e) above*] *[Only specify Security MTM Termination Amount where Collateral Security Condition 9 applies]*
- (i) Priority of Payments: [Not applicable]/*[specify]* [NB *Only applicable where the relevant Collateral Pool secures a single series of Secured Securities*]
- (j) Additional or Alternative Security Agreement(s): [None]/*[Specify details including governing law]*
- (k) Limited Diversification: [Applicable/Not applicable]
- (l) Collateral Valuation Dates: *[specify]*/[None]
- (m) Collateral Calculation Agent: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas]/*[specify]*/[Not applicable]
- (n) Collateral Custodian: [BNP Paribas, Succursale de Luxembourg]/*[specify]*
- (o) Collateral Agent: [BNP Paribas Trust Corporation UK Limited]/*[specify]*
- (p) Swap Agreement: [Applicable/Not applicable]



- (q) Swap Counterparty: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas] [Not Applicable]/[specify]
- (r) Repurchase Agreement: [Applicable/Not applicable]
- (s) Repo Counterparty: [BNP Paribas Arbitrage S.N.C.]/[BNP Paribas] [Not Applicable]/[specify]
- (t) Terms for realisation of Collateral Assets if different from as set out in Collateral Security Conditions: [specify]/[Not applicable]
- (u) Collateral Asset Default: [Applicable]/[Not applicable]/[Collateral Physical Settlement: [Applicable/Not Applicable]] *[NB Delete Collateral Physical Settlement if Collateral Asset Default is Not Applicable]*[specify Collateral Early Settlement Amount if other than as specified in Collateral Security Condition 7.3][Disruption Cash Settlement Price: specify if Collateral Physical Settlement is applicable]
- (v) Collateral Security Credit Certificates: [Collateral Security Condition 8 is applicable and the Secured Securities are Collateral Security Credit Certificates]/[Not Applicable] *[If not applicable delete the remaining sub paragraphs of this paragraph]*
- (i) Redemption Date: [specify]
- (ii) Reference Entity: [specify]
- (iii) Terms relating to Settlement: [As per Collateral Security Condition 8]/[Specify variations or additions to Collateral Security Condition 8]
- (iv) Accrual of Interest upon Credit Event: [As per Collateral Security Condition 8.3(a)(i)]/[As per Collateral Security Condition 8.3(a)(ii)]/[Not applicable]
- (v) Other terms or special conditions: [specify]/[Not applicable]
- (w) Collateral Asset Linked Securities: [Collateral Security Condition 9 is applicable and the Secured Securities are Collateral Asset Linked Securities]/[Not applicable] *[If not applicable delete the remaining sub paragraphs of this paragraph]*
- (i) Initial Posting Date: [Issue Date]/[specify]
- (ii) Distributor: [specify]/[None]
- (iii) MTM Adjustable Assets: [specify]

- (iv) Reference Collateral [specify]/[Include ISINs where applicable]  
Assets:
- (v) Reference Collateral [specify]  
Assets Issuer:
- (vi) Reference Delivery [As per Conditions]/[specify]  
Amount:
- (vii) Security MTM [Realisation Proceeds Share]/[specify]  
Termination Amount:
- (viii) Scheduled Underlying [Premium Amounts]/[specify]/[Not applicable]  
Reference Linked  
Payment(s):
- (x) Other terms or special [Not applicable]/[specify]  
conditions:

## Responsibility

The Issuer accepts responsibility for the information contained in these Final Terms. To the best of the knowledge of the Issuer (who has taken all reasonable care to ensure that such is the case), the information contained herein is in accordance with the facts and does not omit anything likely to affect the import of such information. [The information included in [the Annex] (the "[●] Information") consists of extracts from or summaries of information that is publicly available in respect of [●]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [●], no facts have been omitted which would render the reproduced inaccurate or misleading.]<sup>63</sup>

[Signed on behalf of [BNP Paribas Issuance B.V.]/[BNP Paribas]

As Issuer:

By: .....

Duly authorised]

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<sup>63</sup> Include only if such information has been included.

## PART B – OTHER INFORMATION

### 1. Listing and Admission to trading – [De-listing]

[The Securities are unlisted.]/[Application [has been/will be] made to list the Securities on the Official List of the Luxembourg Stock Exchange and to admit the Securities described herein for trading on the [professional segment of the] Luxembourg Stock Exchange's Euro MTF Market. ]/[Application has been made by the Issuer (or on its behalf) for the Securities to be admitted to trading on SIX Swiss Exchange with effect from [●]. Application for listing on SIX Swiss Exchange will be made by the Issuer (or on its behalf) for the Securities as soon as possible thereafter. The last day of trading is expected to be [●]<sup>1</sup>.]]  
(N.B. Only Swiss Securities may be admitted to trading on SIX Swiss Exchange.)

[The de-listing of the Securities on the exchange market specified above shall occur on [specify], subject to any change to such [date/period] by such exchange/ market] or any competent authorities, for which the Issuer [and the Guarantor] shall under no circumstances be liable].

[Estimate of total expenses related to admission to trading: [●]]<sup>2</sup>

(Where documenting a fungible issue need to indicate if original Securities are already admitted to trading)

### 2. [Additional information required for FinSA Securities to be listed on SIX Swiss Exchange]

<b>Listing/Trading information:</b>	First Trading Day:	[first trading day]
	Last Trading Day and Time:	[last trading day as well as the time of day at which trading shall cease] <sup>3</sup>
	Capital Protection:	[Capital protection [specify] /no capital protection]
	Type of quoting:	[the Securities are traded or quoted including accrued interest (dirty trading)] [accrued interest is shown separately (clean trading)]
<b>Information relating to underlyings:</b>	[insert the information on the underlying instruments required by section 3.3 of annex 3 of the Swiss Financial Services Ordinance (" <b>FinSO</b> ") and the tax information in relation to a purchase of underlying instruments required by section 3.11 of annex 3 FinSO, to the extent such information is not already included elsewhere in the Final Terms.]	
<b>Additional information:</b>	Name and address of the representative for purposes of Article 43 of the Listing Rules of SIX Exchange Regulation: BNP Paribas (Suisse) SA, [Selnaustrasse 16, 8022 Zurich,] Switzerland.	

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<sup>1</sup> Two SIX Swiss Exchange trading days prior to the [Redemption Date]/[Settlement Date].

<sup>2</sup> Delete if minimum denomination is less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or if the Securities are Derivative Securities.

<sup>3</sup> Two SIX Swiss Exchange trading days prior to the [Redemption Date]/[Settlement Date].

No Material Adverse Change: Save as disclosed in the Base Prospectus, there has been no material adverse change, nor any event involving a prospective material adverse change in the financial and trading position of [the Issuer] [and/or] [the Guarantor] since [insert date of the most recently published audited financial statements].]

### 3. [Ratings]

[The Securities to be issued [[have been]/[are expected to be]] rated [insert details] by [insert credit rating agency name(s)].]

[Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider:

[●]

(The above disclosure should reflect the rating allocated to Securities of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.))]

**EITHER** [[Insert credit rating agency] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with such Regulation.]]

**OR** [[Insert credit rating agency] is not established in the European Union and is not registered in accordance with Regulation (EC) No. 1060/2009 (as amended). [[Insert the legal name of the relevant non-EU CRA entity] is therefore not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]]

**OR** [[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). The ratings have been endorsed by [insert the name of the relevant EU-registered credit rating agency] in accordance with the CRA Regulation. [Insert the name of the relevant EU-registered credit rating agency] is established in the European Union and registered under the CRA Regulation.] [As such [insert the legal name of the relevant EU CRA entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation]. The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico/Brazil/the United Kingdom (delete as appropriate)] which have been endorsed by [insert the legal name of the relevant EU CRA entity that applied for registration] may be used in the EU by the relevant market participants.]

**OR** [[Insert credit rating agency] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"), but it [is/has applied to be] certified in accordance with the CRA Regulation *[[EITHER:]* and it is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) in accordance with the CRA Regulation] *[OR:]* although notification of the corresponding certification decision has not yet been provided by the relevant competent authority European Securities and Markets Authority and [insert the legal name of the relevant non-EU CRA entity] is not included in the list of credit rating agencies

published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].]

**OR** *[[Insert the legal name of the relevant CRA entity]* is established in the European Union and has applied for registration under Regulation (EC) No. 1060/2009 (as amended), although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority [ and *[[insert the legal name of the relevant CRA entity]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation].]

**OR** *[[Insert the legal name of the relevant non-EU CRA entity]* is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). However, the application for registration under the CRA Regulation of *[[insert the legal name of the relevant EU CRA entity that applied for registration]*, which is established in the European Union disclosed the intention to endorse credit ratings of *[[insert the legal name of the relevant non-EU CRA entity]*, although notification of the corresponding registration decision has not yet been provided by the European Securities and Markets Authority and *[[insert the legal name of the relevant EU CRA entity]* is not included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation].] The European Securities Markets Authority has indicated that ratings issued in [Japan/Australia/the USA/Canada/Hong Kong/Singapore/Argentina/Mexico/the United Kingdom (*delete as appropriate*)] which have been endorsed by *[[insert the legal name of the relevant EU CRA entity that applied for registration]* may be used in the EU the relevant market participants.

#### 4. **[Risk Factors]**

*[Include any product specific risk factors which are not covered under "Risks" in the Base Prospectus or in relation to U.S. Securities. If any such additional risk factors need to be included consideration should be given as to whether they constitute "significant new factors" and consequently trigger the need for either (i) a supplement to the Base Prospectus under article 10.2 of Part 2, Chapter I of the rules and regulations of the Luxembourg Stock Exchange or (ii) a Prospectus.]]*

#### 5. **[Interests of Natural and Legal Persons Involved in the [Issue/Offer]**

*[Need to include a description of any interest, including conflicting interest, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement]:*

"Save [for the fees [of *[[insert relevant fee disclosure]]*] payable to *[[insert name of Manager]* and] as discussed[ in the "*Potential Conflicts of Interest*" paragraph in the "Risks" Section in the Base Prospectus], so far as the Issuer is aware, no person involved in the [issue/offer] of the Securities has an interest material to the [issue/offer]."

#### 6. **[Reasons for the Offer, Estimated Net Proceeds and Total Expenses<sup>4</sup>**

- (a) Reasons for [See "Use of Proceeds" in the Base Prospectus][●]  
the offer:

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<sup>4</sup> Disclosure in respect of Estimated Net Proceeds and Total Expenses is only required if reasons for the offer are disclosed and the Securities are derivative securities to which Annex XII of the Prospectus Regulation applies. Please note that the Regulation EC 809/2004 (the "Prospectus Regulation") is not applicable to this Base Prospectus, however, the Luxembourg Stock Exchange permits a prospectus to be drafted on the basis of the Prospectus Regulation.

(See "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)

- (b) Estimated [Up to] [●]  
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.)*

- (c) Estimated [●] [Include breakdown of expenses]<sup>5</sup>  
total  
expenses:

**7. Performance of Underlying/Formula/Other Variable, Explanation of Effect on Value of Investment and Associated Risks and Other Information concerning the Underlying**

*[Need to include details of where past and future performance and volatility of the index/formula/other variables 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.]*

*[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 a security need to include the name of the issuer of the security and the ISIN (International Security Identification Number) or other such security identification code, and if the underlying share is not admitted to trading on a regulated market or equivalent market, or not admitted to trading at all, also include a full description of the issuer underlying security according to Appendix I of the Rules and Regulations of the Luxembourg Stock Exchange.]*

*[If the Securities are FinSA Securities where the underlying is a Share or Debt Instrument, specify the place where the annual reports of the Share Company/Basket Company or the issuer of the Debt Instrument are available free of charge if the documents are not uploaded on the website of the Share Company/Basket Company or the issuer of the Debt Instrument.]*

[The Certificates relate to the Series [●] Preference shares of the BNP Paribas Synergy Limited relating to *[insert reference asset]*].

The performance of the Preference Shares depends on the performance of the relevant underlying asset(s) or basis of reference to which the Preference Shares are linked (the "**Preference Share Underlying**"). The Preference Share Underlying is *[insert reference asset]*. Information on the Preference Share Underlying (including past and future performance and volatility) is published on Reuters page [●].

The Preference Share Value will be published on [each] Business Day on [Reuters] page [●].<sup>6</sup>

<sup>5</sup> Not required for debt securities with a denomination per unit of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date).

<sup>6</sup> Include for Preference Share Certificates.

[Insert where the Securities reference SOFR: The Issuer is not affiliated with the Federal Reserve Bank of New York. The Federal Reserve Bank of New York does not sanction, endorse or recommend any products or services offered by the Issuer.]

The Issuer [intends to provide post-issuance information [specify what information will be reported, when and where it can be obtained]] [does not intend to provide post-issuance information].

## 8. Operational Information

Relevant Clearing System(s): [Euroclear and Clearstream, Luxembourg/DTC/Euroclear France/Euroclear Netherlands/Iberclear/Euroclear Sweden/Euroclear Finland/Monte Titoli/SIX SIS Ltd/other]

[if Iberclear add: [Insert relevant entity] will act as link entity [Entidad de Enlace]/Paying Agent (Entidad de Pago)/Depository Entity (Entidad Depositaria)/Liquidity Entity/Entidad Especialista)]

[N.B. Ensure all relevant entities have been appointed and formalities complied with in accordance with the rules and regulations of the relevant clearing system]

[N.B. For Swiss Securities to be admitted to trading on SIX Swiss Exchange, SIX SIS Ltd must be specified as the applicable clearing system.]

If other than Euroclear Bank S.A./N.V., Clearstream Banking, société anonyme, Euroclear France, Euroclear Netherlands, [Iberclear], [Monte Titoli] include the relevant identification number(s) [and in the case of Swedish Dematerialised Securities, the Swedish Security Agent] [and in the case of Finnish Dematerialised Securities, the Finnish Security Agent]:

[N.B. Ensure all relevant entities have been appointed and formalities complied with in accordance with the rules and regulations of the relevant clearing system]

[Swedish Security Agent;

[Nordea Bank Abp, Swedish Branch/other]

Address: [ ]]

[Contact details of the Finnish Security Agent will be included in the applicable Final Terms.]

[Additional information relating to Swiss Securities] (N.B. Delete for Securities other than Swiss Securities.) [Swiss security number(s): [●]]  
Swiss Paying Agent: [●]]

**9. [Yield (in the case of Certificates)]**

[Fixed Rate Certificates only]

[An indication of yield. Describe the method whereby that yield is calculated in summary form.]

**10. Performance of Rates (in the case of Certificates)**

Details of the performance of [EURIBOR/STIBOR/SONIA/SOFR/€STR/SARON/TONA/other rate as specified in the Conditions] rates can be obtained, [but not] free of charge, from [Reuters/Bloomberg/give details of electronic means of obtaining the details of performance].]

**11. [Description of Collateral Assets]**

Assets meeting the criteria in the table set out below under the headings "Eligible Collateral" and "Other information" shall constitute Eligible Collateral:]

	<i>Eligible Collateral<sup>7</sup></i>	<i>Other information</i>
[(A)]	[A pool of] [D]/d]ebt securities [issued and guaranteed by [ ] with a minimum eligible rating of [specify] whose issuer or guarantor must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(B)]	A pool of equity securities with a minimum eligible rating of [specify] the issuer or guarantor of which must be incorporated in [specify] and which must be traded on [specify relevant regulated markets]	
[(C)]	A pool of shares, units or interests in Collective Investment Schemes the issuer of which must be incorporated in [specify], the regulatory authority of which must be [specify] and which have minimum assets under management of [specify]	
[(D)]	Cash deposit denominated in [specify currency] (the "Eligible Currency")	
[(E)]	[Specify details of other Collateral Assets where applicable]	

<sup>7</sup> Delete as applicable.



**[[Additional provisions for** *[If the FinSA Securites are secured by a pledge agreement, specify*  
**FinSA Securities which are** *the governing law of the applicable pledge agreement.]]*  
**Secured Securities]**

## [PART C – OTHER APPLICABLE TERMS

[specify]

*[If the Securites are Certificates that reference an actively managed certificates ("Actively Managed Certificates"), include additional information in this Part C. The following information must be included:*

Actively Managed Certificates:

- (a) Investment strategy: The Actively Managed Certificates shall be managed by the investment advisor(s) specified below in accordance with the following investment strategy: *[Insert key description of the investment strategy/ies, in particular the Underlying References that may be part of the investment strategy, rebalancing process, criteria selection]*
- Further details on the investment strategy/ies and on the current composition of the Underlying References in the basket (including the percentage allocation to each underlying) is available on each Business Day at the following address: *[Specify address]*
- [The investment strategy [includes] [does not include] a leverage effect. [If the investment strategy includes a leverage effect, give details.]]*
- [Investment restrictions: [give details, if applicable]]*
- [Diversification rules: [give details, if applicable]]*
- (b) Investment advisor(s): *[Specify name and address of each investment advisor]*
- [Specify license and supervisory authority of investment advisor]/[The investment advisor is not subject to prudential supervision.]*
- (c) Fees: *[Specify fees in connection with the Actively Managed Certificates, in particular the amount of fees, calculation method, how the fees are charged to investors, who receives the fees and which service is covered by the fees.]*
- (d) Roles and responsibilities of the Issuer and the investment advisor: *[give details]]*

## TERMS AND CONDITIONS OF THE SECURITIES

*The following is the text of the Terms and Conditions of the Securities which will include the additional terms and conditions contained in Annex 1 in the case of Index Securities, the additional terms and conditions contained in Annex 2 in the case of Share Securities, the additional terms and conditions contained in Annex 3 in the case of ETI Securities, the additional terms and conditions contained in Annex 4 in the case of Debt Securities, the additional terms and conditions contained in Annex 5 in the case of Commodity Securities, the additional terms and conditions contained in Annex 6 in the case of Inflation Index Securities, the additional terms and conditions contained in Annex 7 in the case of Currency Securities, the additional terms and conditions contained in Annex 8 in the case of Fund Securities, the additional terms and conditions contained in Annex 9 in the case of Market Access Securities, the additional terms and conditions contained in Annex 10 in the case of Futures Securities, the additional terms and conditions contained in Annex 11 in the case of Credit Securities, the additional terms and conditions contained in Annex 12 in the case of Secured Securities, the additional terms and conditions contained in Annex 13 in the case of Preference Share Certificates, the additional terms and conditions contained in Annex 14 in the case of OET Certificates, the additional terms and conditions contained in Annex 15 in the case of Listed Option Securities or any other Annex (each, an "Annex" and, together the "Annexes") which may be added from time to time, in the case of any other security linked to any other underlying reference (the "Terms and Conditions") which, in the case of Dutch Law Warrants or English Law Securities (as defined in Condition 1 below), will be incorporated by reference into each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security (each as defined below), or in the case of Italian Dematerialised Securities (as defined below) will apply to such Securities. The applicable Final Terms in relation to any issue of Securities may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Terms and Conditions, replace or modify the Terms and Conditions for the purpose of such Securities. In the case of Dutch Law Warrants or English Law Securities (other than Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities or Swiss Dematerialised Securities), the applicable Final Terms (or the relevant provisions thereof) will be attached to each Clearing System Global Security, Private Placement Definitive Security or Registered Global Security, as the case may be. In the case of Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities and Swiss Dematerialised Securities, the applicable Final Terms in respect of such Securities will be available at the specified office of the relevant Issuer and at the office of the Swedish Security Agent, Finnish Security Agent, Italian Security Agent or Swiss Security Agent, as applicable, in each case specified in the applicable Final Terms. The provisions in respect of Registered Securities and U.S. Securities (each as defined below) relate to English Law Securities only.*

The series of Securities described in the applicable Final Terms (in so far as it relates to such series of Securities) (such Securities being hereinafter referred to as the "**Securities**") are issued by whichever of BNP Paribas Issuance B.V. ("**BNPP B.V.**") or BNP Paribas ("**BNPP**") is specified as the Issuer in the applicable Final Terms (the "**Issuer**") and references to the Issuer shall be construed accordingly. Securities will be either warrants ("**Warrants**") or certificates ("**Certificates**"), as specified in the applicable Final Terms, and references in these Terms and Conditions to "Security", "Securities", "Warrant", "Warrants", "Certificate" and "Certificates" will be construed accordingly.

The Securities are issued pursuant to an Agency Agreement dated on or around 31 May 2023 (as amended and/or supplemented from time to time, the "**Agency Agreement**") between, *inter alios*, BNPP B.V. as issuer, BNPP as issuer and (where the Issuer is BNPP B.V.) as guarantor (in such capacity, the "**Guarantor**"), BNP Paribas, Netherlands Branch as Dutch issuing and paying agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Amsterdam Security Agent**"), BNP Paribas S.A., Sucursal en España as agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Madrid Security Agent**"), BNP Paribas S.A. Niederlassung Deutschland as Frankfurt certificate agent (if specified in the applicable Final Terms

as Agent in respect of the Securities, the "**Frankfurt Security Agent**"), BNP Paribas, Succursale de Luxembourg as principal agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Principal Security Agent**"), BNP Paribas S.A. as French issuing and paying agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**French Security Agent**"), BNP Paribas Arbitrage S.N.C. as principal agent, calculation agent and collateral calculation agent (if specified in the applicable Final Terms as Agent in respect of the Securities, the "**Principal Security Agent**"), BNP Paribas S.A., Succursale Italia as Italian agent (if specified in the applicable Final Terms as Agent in respect of the Securities) or BNP Paribas Arbitrage S.N.C. as Italian agent (if specified in the applicable Final Terms as Agent in respect of the Securities) (the "**Italian Security Agent**") (each a "**Security Agent**" and collectively, the "**Security Agents**"), BNP Paribas, Succursale de Luxembourg, and BNP Paribas Securities (Japan) Limited as registrar (if specified in the applicable Final Terms as Registrar in respect of the Registered Securities, the "**Registrar**"), as supplemented in the case of Swedish Dematerialised Securities by an issuing and paying agency agreement to be executed (as amended and/or supplemented from time to time, the "**Swedish Agency Agreement**") between BNPP B.V. and Nordea Bank Abp, Swedish Branch (or any successor thereto) as Euroclear Sweden security agent (the "**Swedish Security Agent**") and as supplemented in the case of Finnish Dematerialised Securities by an issuing and paying agency agreement to be executed (and which may be amended and/or supplemented from time to time, the "**Finnish Agency Agreement**") between BNPP B.V., BNPP and the Euroclear Finland security agent specified in the applicable Final Terms, which shall be such account operator specifically authorised by Euroclear Finland and appointed by the relevant Issuer as an issuing and paying agent (the "**Finnish Security Agent**"). The expression "Security Agent" shall include (i) in respect of Swedish Dematerialised Securities, the Swedish Security Agent and (ii) in respect of Finnish Dematerialised Securities, the Finnish Security Agent, and shall include any additional or successor security agent(s) in respect of the Securities.

BNP Paribas or BNP Paribas Arbitrage S.N.C. (as specified in the applicable Final Terms) shall undertake the duties of calculation agent (the "**Calculation Agent**") in respect of the Securities 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 Securities, include such other specified calculation agent.

The Agency Agreement will be governed by (i) English Law in the case of English Law Securities (the "**English Law Agency Agreement**"), (ii) Dutch Law in the case of Dutch Law Warrants (the "**Dutch Law Agency Agreement**") and (iii) by French Law in the case of French Law Securities (the "**French Law Agency Agreement**"). The Swedish Agency Agreement will be governed by Swedish Law.

The applicable Final Terms for the Securities supplements 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 Securities. Except in the case of French Law Securities, Swedish Dematerialised Securities, Finnish Dematerialised Securities, Italian Dematerialised Securities or Swiss Dematerialised Securities, the applicable Final Terms for the Securities will be attached to each Global Security, each Private Placement Definitive Security and any Registered Certificates in definitive form.

References herein to the "applicable Final Terms" are to the Final Terms or two or more sets of Final Terms (in the case of any further Securities issued pursuant to Condition 12 and forming a single series with the Securities) (which, for the avoidance of doubt, may be issued in respect of more than one series of Securities) insofar as they relate to the Securities.

Subject as provided in Condition 4 and in the relevant Guarantee (as defined in Condition 1), where the Issuer is BNPP B.V., the obligations of BNPP B.V. with respect to physical delivery (if applicable) and/or the payment of amounts payable by BNPP B.V. are guaranteed by BNPP pursuant to the Guarantee. The original of each Guarantee is held by BNP Paribas, Succursale de Luxembourg on behalf of the Holder at its specified office.

Copies of the Agency Agreement, the Guarantees and the applicable Final Terms may be (i) obtained from the specified office of the relevant Security Agent and the Registrar (in the case of Registered Securities) or (ii) provided by email to a Holder following their prior written request to the relevant Security Agent and the Registrar (in the case of Registered Securities) and provision of proof of holding and identity (in a form satisfactory to the relevant Security Agent and the Registrar (in the case of Registered Securities)), save that if the Securities are unlisted, the applicable Final Terms will only be obtainable by a Holder and such Holder must produce evidence satisfactory to the relevant Security Agent as to identity. Copies of the Swedish Agency Agreement and the English Law Guarantee will (i) be available for inspection or collection at the office of the Swedish Security Agent specified in the applicable Final Terms or (ii) may be provided by email to a Holder following their prior written request to the Swedish Security Agent and provision of proof of holding and identity (in a form satisfactory to the Swedish Security Agent). Copies of the Finnish Agency Agreement and the English Law Guarantee will (i) be available for inspection or collection at the office of the Finnish Security Agent specified in the applicable Final Terms or (ii) may be provided by email to a Holder following their prior written request to the Finnish Security Agent and provision of proof of holding and identity (in a form satisfactory to the Finnish Security Agent).

Words and expressions defined in the Agency 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 Holders are entitled to the benefit of and are deemed to have notice of and are bound by all the provisions of the Agency Agreement (insofar as they relate to the Securities) and the applicable Final Terms, which are binding on them.

## 1. DEFINITIONS

For the purposes of these Terms and Conditions, the following general definitions will apply:

"**Account Holder**" is as defined in Condition 2.2;

"**Accrual Period**" is as defined in Condition 32(c);

"**Actual/Actual (ICMA)**" is as defined in Condition 32(c);

"**Actual Exercise Date**" is as defined in Condition 20 and Condition 24.1(a);

"**Additional Disruption Event**" is as defined in Condition 15.1;

"**Adjustment Date**" is as defined in Condition 17(b);

"**Affected Item**" is as defined in this Condition 1 under the definition of Strike Date and in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Affected Relevant Assets**" is as defined in Condition 15.1;

"**Affected Share**" is as defined in Condition 15.2(e);

"**Affiliate**" means in relation to any entity (the "**First Entity**"), any entity controlled, directly or indirectly, by the First Entity, any entity that controls, directly or indirectly, the First Entity or any entity directly or indirectly under common control with the First Entity. For these purposes "**control**" means ownership of a majority of the voting power of an entity;

"**Agency Agreement**" is as defined in paragraph 3 of these Terms and Conditions;

"**AI**s" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

"**Alternate Cash Amount**" is as defined in Condition 5.4;

"**American Style Warrants**" is as defined in Condition 22;

"**Amsterdam Business Day**" is as defined in Condition 32(b)(viii);

"**Amsterdam Security Agent**" is as defined in paragraph 3 of these Terms and Conditions;

"**Annex**" is as defined in paragraph 1 of these Terms and Conditions;

"**Asset Transfer Notice**" is as defined in Condition 35.2(a);

"**Automatic Early Redemption Amount**" is as defined in Condition 34.9(b);

"**Automatic Early Redemption Event**" is as defined in Condition 34.9(b);

"**Automatic Early Redemption Date**" is as defined in Condition 34.9(b);

"**Automatic Early Redemption Level**" is as defined in Condition 34.9(b);

"**Automatic Early Redemption Rate**" is as defined in Condition 34.9(b);

"**Automatic Early Redemption Valuation Date**" is as defined in Condition 34.9(b);

"**Automatic Exercise**" is as defined in Condition 22;

"**Averaging**" is as defined in Condition 22 (in the case of Warrants) and Condition 30 (in the case of Certificates);

"**Averaging Date**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Basket Company**" is as defined in Condition 15.2(e);

"**Basket Price**" is as defined in Condition 34.9(b);

"**Basket of Underlying References**" is as defined in Condition 34.9(b);

"**BNPP**" is as defined in paragraph 2 of these Terms and Conditions;

"**BNPP B.V.**" is as defined in paragraph 2 of these Terms and Conditions;

"**Business Day**" means (a) a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant Business Day Centre(s) (other than T2), (b) if T2 System is specified as a Business Day Centre in the applicable Final Terms, a day on which the real time gross settlement system operated by the Eurosystem or any successor or replacement for that system (the "**T2**") is open (a "**T2 Settlement Day**"), (c) for the purposes of making payments in CNY, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the CNY Settlement Centre(s) and (d) for the purposes of making payments in euro, any T2 Settlement Day, and

- (i) where the Securities are Clearing System Securities, Registered Certificates or Italian Dematerialised Securities, a day on which the relevant Clearing System is open for business;
- (ii) where the Securities are Private Placement Definitive Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in New York;
- (iii) where the Securities are Registered Warrants, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tokyo;
- (iv) where the Securities are Swedish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Stockholm; or
- (v) where the Securities are Finnish Dematerialised Securities, a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Helsinki and on which Euroclear Finland and the relevant system in which the Finnish Dematerialised Securities are registered are open for business in accordance with the rules of Euroclear Finland;

**"Calculated Additional Disruption Amount"** is as defined in Condition 15.2(c)(ii);

**"Calculated Additional Disruption Amount Determination Date"** is as defined in Condition 15.2(c)(ii);

**"Calculation Agent"** is as defined in paragraph 4 of these Terms and Conditions and Condition 32(b);

**"Call Warrants"** is as defined in Condition 22;

**"Cancellation Event"** is as defined in Condition 15.1;

**"Cash Settled Certificates"** is as defined in Condition 30;

**"Cash Settled Securities"** means (a) in the case of an issue of Warrants, Cash Settled Warrants and (b) in the case of an issue of Certificates, Cash Settled Certificates;

**"Cash Settled Warrants"** is as defined in Condition 22;

**"Cash Settlement Amount"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Certificates"** is as defined in paragraph 2 of these Terms and Conditions;

**"Change in Law"** is as defined in Condition 15.1;

**"Chinese QFII"** means an entity outside the People's Republic of China which meets the requirements of the Measures and is approved by the China Securities Regulatory Commission to invest in Chinese securities markets and has obtained the quota from the State Administration of Foreign Exchange ("**Qualified Foreign Institutional Investors**") where "**Measures**" means the Measures on the Administration of Qualified Foreign Institutional Investors Investing in Domestic Securities;

**"CFTC"** means the Commodity Futures Trading Commission;

**"Clearing System"** means Clearstream, Luxembourg and/or Euroclear and/or Euroclear France and/or Euroclear Netherlands and/or Euroclear Sweden and/or Euroclear Finland and/or DTC and/or Iberclear and/or Monte Titoli and/or any additional or alternative clearing system approved by the Issuer and the relevant Security Agent(s) from time to time and specified in the applicable Final Terms;

**"Clearing System Certificates"** is as defined in Condition 29;

**"Clearing System Global Certificate"** is as defined in Condition 29;

**"Clearing System Global Security"** means (a) in the case of an issue of Warrants, the Clearing System Global Warrant representing such Warrants and (b) in the case of an issue of Certificates, the Clearing System Global Certificate representing such Certificates;

**"Clearing System Global Warrant"** is as defined in Condition 21;

**"Clearing System Securities"** means (a) in the case of an issue of Warrants, Clearing System Warrants and (b) in the case of an issue of Certificates, Clearing System Certificates;

**"Clearing System Warrants"** is as defined in Condition 21;

**"Clearstream, Luxembourg"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Commodity Exchange Act"** means the United States Commodity Exchange Act of 1936, as amended;

**"Commodity OET Certificate"** means a Commodity Security that is an OET Certificate;

**"Commodity Securities"** is as defined in Condition 2.1;

**"Common Depositary"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Credit Securities"** is as defined in Condition 2.1;

**"Currency Event"** is as defined in Condition 15.1;

**"Currency OET Certificate"** means a Currency Security that is an OET Certificate;

**"Currency Securities"** is as defined in Condition 2.1;

**"Custodian"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Custom Index Securities"** means Index Securities in respect of which the additional provisions applicable to Custom Indices are specified as applicable in the applicable Final Terms;

**"Cut-off Date"** is as defined in Condition 25.9(c) (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Day Count Fraction"** is as defined in Condition 32(c);

**"Debt Securities"** is as defined in Condition 2.1;

**"Definitive Security Agent"** means the definitive security agent to be appointed (if applicable) in respect of the relevant series of Securities;



"**Delivery Date**" is as defined in Condition 35.2(c);

"**Designated Account**" is as defined in Condition 35.1;

"**Designated Bank**" is as defined in Condition 35.1;

"**Designated Maturity**" is as defined in Condition 32(b)(iii);

"**Determination Date(s)**" is as defined in Condition 32(c);

"**Determination Period**" is as defined in Condition 32(c);

"**Disqualified Transferee**" is as defined in Condition 2.4(c);

"**Disruption Cash Settlement Price**" is as defined in Condition 5.1;

"**Documents**" is as defined in Condition 13.2(b);

"**DTC**" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

"**due exercise**" is as defined in Condition 24.4;

"**Dutch Law Agency Agreement**" is as defined in paragraph 5 of these Terms and Conditions;

"**Dutch Law Guarantee**" means the guarantee dated on or around 31 May 2023 executed by BNPP in respect of Dutch Law Warrants issued by BNPP B.V.;

"**Dutch Law Warrants**" is as defined in Condition 20;

"**English Law Agency Agreement**" is as defined in paragraph 5 of these Terms and Conditions;

"**English Law Certificates**" is as defined in Condition 28;

"**English Law Guarantee**" means a deed of guarantee dated on or around 31 May 2023 executed by BNPP in respect of English Law Securities issued by BNPP B.V.;

"**English Law Securities**" means (a) in the case of an issue of Warrants, English Law Warrants and (b) in the case of an issue of Certificates, English Law Certificates;

"**English Law Warrants**" is as defined in Condition 20;

"**Entitlement**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Established Rate**" is as defined in Condition 17(b);

"**ETI OET Certificate**" means an ETI Security that is an OET Certificate;

"**ETI Securities**" is as defined in Condition 2.1;

"**EURIBOR**" is as defined in Condition 32(b)(iii)(C);

"**euro**" is as defined in Condition 17(b);

**"Euroclear"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Euroclear Finland"** means Euroclear Finland Ltd. (the Finnish Central Securities Depository);

**"Euroclear Finland Register"** means the register opened in the Euroclear Finland System for Finnish Dematerialised Securities issued or to be issued by the Issuer;

**"Euroclear Finland System"** means the technical system at Euroclear Finland for the registration of securities and the clearing and settlement of securities transactions;

**"Euroclear France Certificates"** is as defined in Condition 35.1;

**"Euroclear France Securities"** is as defined in Condition 2.2;

**"Euroclear France Warrants"** is as defined in Condition 24.1;

**"Euroclear Netherlands"** means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.;

**"Euroclear Netherlands Certificates"** is as defined in Condition 35.1;

**"Euroclear Netherlands Securities"** is as defined in Condition 2.2;

**"Euroclear Netherlands Warrants"** is as defined in Condition 24.1;

**"Euroclear Sweden"** means Euroclear Sweden AB (the Swedish Central Securities Depository authorised as such under the SFIA Act);

**"Euroclear Sweden Register"** means the register opened in the Euroclear Sweden System for Swedish Dematerialised Securities issued or to be issued by the Issuer;

**"Euroclear Sweden System"** means the technical system at Euroclear Sweden for the registration of securities and the clearing and settlement of securities transactions;

**"European Style Warrants"** is as defined in Condition 22;

**"EuroTLX"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Exchange Event"** is as defined in Condition 29;

**"Exercisable Certificates"** is as defined in Condition 34.7;

**"exercise"** is as defined in Condition 24.4;

**"Exercise Business Day"** is as defined in Condition 20;

**"Exercise Notice"** is as defined in Condition 24.1(a), Condition 25.1, Condition 25.2 and Condition 25.3;

**"Exercise Notice Delivery Date"** is as defined in Condition 25.9(c);

**"Exercise Price"** is as specified in the applicable Final Terms;

**"Expenses"** is as defined in Condition 11.2;

**"Expiration Date"** is as defined in Condition 20;

**"Failure to Deliver due to Illiquidity"** is as defined in Condition 15.1;

**"Failure to Deliver Settlement Price"** is as defined in Condition 15.2(e);

**"FBF Agreement"** is as defined in Condition 32(b)(iv);

**"FBF Rate"** is as defined in Condition 32(b);

**"Finnish Agency Agreement"** is as defined in paragraph 3 of these Terms and Conditions;

**"Finnish Dematerialised Certificates"** is as defined in Condition 28;

**"Finnish Dematerialised Securities"** means (a) in the case of an issue of Warrants, Finnish Dematerialised Warrants and (b) in the case of an issue of Certificates, Finnish Dematerialised Certificates;

**"Finnish Dematerialised Warrants"** is as defined in Condition 20;

**"Finnish Record Date"** is as defined in respect of Finnish Dematerialised Warrants in Condition 25.6 and in respect of Finnish Dematerialised Certificates in Condition 35.1;

**"Finnish Security Agent"** is as defined in paragraph 3 of these Terms and Conditions and is an account operator specifically authorised by Euroclear Finland and to be appointed by the Issuer in respect of any series of Finnish Dematerialised Securities to process and register issues in the Euroclear Finland System and identified in the applicable Final Terms and acting solely as the agent of the Issuer not assuming any obligation to, or relationship or agency of trust with the Holders;

**"Fixed Rate Certificates"** is as defined in Condition 32;

**"Floating Rate"** is as defined in Condition 32(b)(iii);

**"Floating Rate Certificates"** is as defined in Condition 32;

**"Floating Rate Option"** is as defined in Condition 32(b)(iii);

**"Force Majeure Event"** is as defined in Condition 15.1;

**"freely tradable"** is as defined in Condition 5.4;

**"French Law Agency Agreement"** is as defined in paragraph 5 of these Terms and Conditions;

**"French Law Certificates"** is as defined in Condition 28;

**"French Law Guarantee"** means the *garantie* dated on or around 31 May 2023 executed by BNPP in respect of French Law Securities issued by BNPP B.V.;

**"French Law Securities"** means (a) in the case of Warrants, French Law Warrants and (b) in the case of Certificates, French Law Certificates;

**"French Law Warrants"** is as defined in Condition 20;

**"French Security Agent"** is as defined in paragraph 3 of these Terms and Conditions;

**"Fund Securities"** is as defined in Condition 2.1;

**"Futures OET Certificate"** means a Futures Security that is an OET Certificate;

**"Futures Securities"** is as defined in Condition 2.1;

**"GDR/ADR"** is as defined in Condition 2.1;

**"General Meeting"** is as defined in Condition 9.4(b);

**"Global Certificate"** is as defined in Condition 29;

**"Global Security"** means (a) in the case of Warrants, the Global Warrant and (b) in the case of Certificates, the Global Certificate;

**"Global Warrant"** is as defined in Condition 21;

**"Government Authority"** is as defined in Condition 15.1;

**"Guarantee"** means (a) in the case of English Law Securities, the English Law Guarantee, (b) in the case of Dutch Law Warrants, the Dutch Law Guarantee and (c) in the case of French Law Securities, the French Law Guarantee;

**"Guaranteed Cash Settlement Amount"** is as defined in Condition 4;

**"Guarantor"** is as defined in paragraph 3 of these Terms and Conditions;

**"Hedge"** is as defined in Condition 15.1;

**"Hedging Disruption"** is as defined in Condition 15.1;

**"Hedging Shares"** is as defined in Condition 15.1;

**"Holder"** is as defined in Condition 2.2, Condition 23 (in the case of Registered Warrants) and Condition 31 (in the case of Registered Certificates);

**"holder of Certificates"** is as defined in Condition 31;

**"Holder of Securities"** is as defined in Condition 2.2;

**"Hybrid Securities"** is as defined in Condition 2.1;

**"Iberclear"** means "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" whose commercial name is Iberclear;

**"Increased Cost of Hedging"** is as defined in Condition 15.1;

**"Increased Cost of Stock Borrow"** is as defined in Condition 15.1;

**"Index OET Certificate"** means an Index Security that is an OET Certificate;

**"Index Securities"** is as defined in Condition 2.1;

**"Indian FPI"** means an institution established or incorporated outside India and registered with the Securities and Exchange Board of India ("**SEBI**") under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019 as a foreign portfolio investor;

**"Inflation Index Securities"** is as defined in Condition 2.1;

**"Initial Stock Loan Rate"** is as defined in Condition 15.1;

"**Insolvency Filing**" is as defined in Condition 15.1;

"**Interest Amount**" is as defined in Condition 32(b)(vi);

"**Interest Determination Date**" is as defined in Condition 32(b)(vi);

"**Interest Period End Date**" is as defined in Condition 32(b)(i);

"**Interest Period End Final Date**" is as defined in Condition 32(a) and Condition 32(b)(i);

"**Intermediary**" is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

"**Intervening Period**" is as defined in Condition 35.2(d);

"**Investor Representation Letter**" is as defined in Condition 2.4;

"**ISDA Definitions**" is as defined in Condition 32(b)(iii);

"**Issuer**" is as defined in paragraph 2 of these Terms and Conditions;

"**Italian Certificates**" is as defined in Condition 28;

"**Italian Dematerialised Certificates**" is as defined in Condition 28;

"**Italian Dematerialised Securities**" means (a) in the case of an issue of Warrants, Italian Dematerialised Warrants and (b) in the case of an issue of Certificates, Italian Dematerialised Certificates;

"**Italian Dematerialised Warrants**" is as defined in Condition 20;

"**Italian Securities**" means (a) in the case of an issue of Warrants, Italian Warrants and (b) in the case of an issue of Certificates, Italian Certificates;

"**Italian Security Agent**" is as defined in paragraph 3 of these Terms and Conditions;

"**Italian Warrants**" is as defined in Condition 20;

"**Jurisdiction Event**" is as defined in Condition 15.1;

"**Knock-in Determination Day**" is as defined in Condition 16.6;

"**Knock-in Determination Period**" is as defined in Condition 16.6;

"**Knock-in Event**" is as defined in Condition 16.6;

"**Knock-in Level**" is as defined in Condition 16.6;

"**Knock-in Period Beginning Date**" is as defined in Condition 16.6;

"**Knock-in Period Ending Date**" is as defined in Condition 16.6;

"**Knock-in Range Level**" is as defined in Condition 16.6;

"**Knock-in Valuation Time**" is as defined in Condition 16.6;

"**Knock-out Determination Day**" is as defined in Condition 16.6;

**"Knock-out Determination Period"** is as defined in Condition 16.6;

**"Knock-out Event"** is as defined in Condition 16.6;

**"Knock-out Level"** is as defined in Condition 16.6;

**"Knock-out Period Beginning Date"** is as defined in Condition 16.6;

**"Knock-out Period Ending Date"** is as defined in Condition 16.6;

**"Knock-out Range Level"** is as defined in Condition 16.6;

**"Knock-out Valuation Time"** is as defined in Condition 16.6;

**"Korean Investor ID Holder"** means an entity incorporated outside the Republic of Korea that is holding an investment identity card issued by the Financial Supervisory Service of the Republic of Korea;

**"Level"** is as defined in Condition 16.6;

**"Linked Interest Certificates"** is as defined in Condition 32;

**"Linked Premium Amount Certificates"** is as defined in Condition 33.2;

**"Listed Option Securities"** is as defined in Condition 2.1;

**"Local Currency"** is as defined in Condition 15.1;

**"Local Time"** means local time in the city of the relevant Clearing System;

**"Loss of Stock Borrow"** is as defined in Condition 15.1;

**"Luxembourg or Brussels time"** is as defined in Condition 24.4;

**"Madrid Security Agent"** is as defined in paragraph 3 of these Terms and Conditions;

**"Maximum Stock Loan Rate"** is as defined in Condition 15.1;

**"Modified Postponement"** is as defined in Condition 28;

**"Monte Titoli"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"National Currency Unit"** is as defined in Condition 17(b);

**"New York Security Agent"** is as defined in paragraph 3 of these Terms and Conditions;

**"New York time"** is as defined in Condition 24.4;

**"Notice Period"** is as defined in Conditions 34.3 and 34.4

**"Observation Date"** is as defined in Condition 20 (in the case of Warrants) and 28 (in the case of Certificates);

**"Observation Period"** is as defined in Condition 20 (in the case of Warrants) and 28 (in the case of Certificates);

**"OET Certificate"** means Securities specified as OET Certificates in the applicable Final Terms;

"**Omission**" is as defined in Condition 28;

"**Open End Certificate**" is as defined in Condition 28;

"**Optional Additional Disruption Event**" is as defined in Condition 15.1;

"**Optional Redemption Amount**" is as defined in Conditions 34.3 and 34.4;

"**Optional Redemption Date**" means the date specified as such in the applicable Final Terms;

"**Optional Redemption Valuation Date**" means the date specified as such in the applicable Final Terms;

"**Original Currency**" is as defined in Condition 17(a)(ii);

"**Paris Business Day**" is as defined in Condition 9.4;

"**Payment Date**" is as defined in Condition 35.1;

"**Permanent Global Warrant**" is as defined in Condition 21;

"**Physical Delivery Certificates**" is as defined in Condition 30;

"**Physical Delivery Securities**" means (a) in the case of an issue of Warrants, Physical Delivery Warrants and (b) in the case of an issue of Certificates, Physical Delivery Certificates;

"**Physical Delivery Warrants**" is as defined in Condition 22;

"**Postponement**" is as defined in Condition 28;

"**Premium Amount**" is as defined in Condition 33.5;

"**Premium Amount Payment Date**" is as defined in Condition 33.5;

"**Principal Security Agent**" is as defined in paragraph 3 of these Terms and Conditions;

"**Private Placement Definitive Certificates**" is as defined in Condition 29;

"**Private Placement Definitive Securities**" means (a) in the case of an issue of Warrants, Private Placement Definitive Warrants and (b) in the case of an issue, of Certificates, Private Placement Definitive Certificates;

"**Private Placement Definitive Warrant**" is as defined in Condition 21;

"**Private Placement Register**" is as defined in Condition 2.2;

"**Proceedings**" is as defined in Condition 14.2;

"**Put Notice**" is as defined in Condition 34.4;

"**Put Warrants**" is as defined in Condition 22;

"**QIBs**" is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Qualified Investor"** means, where the Relevant Jurisdiction is Republic of Korea, Taiwan, India, People's Republic of China or Socialist Republic of Vietnam, a Korean Investor ID Holder, a Taiwan FINI, an Indian FPI, a Chinese QFII and a Vietnamese QI, respectively;

**"Quota"** is as defined in Condition 26.1(b);

**"Record Date"** is as defined in Condition 35.1 (in the case of Certificates);

**"Redemption Date"** is as defined in Condition 34.1;

**"Reference Banks"** is as defined in Condition 28;

**"Reference Rate Fallback Event"** means, in relation to any of the following, as determined by the Calculation Agent:

- (i) the Screen Page Reference Rate ceasing to exist or ceasing to be published for a period of at least 6 consecutive Business Days or having been permanently or indefinitely discontinued;
- (ii) the making of a public statement or publication of information (provided that, at the time of any such event, there is no successor administrator that will provide the Screen Page Reference Rate) by or on behalf of (i) the administrator of the Screen Page Reference Rate, or (ii) the supervisor, insolvency official, resolution authority, central bank or competent court having jurisdiction over such administrator stating that (x) the administrator has ceased or will cease permanently or indefinitely to provide the Screen Page Reference Rate, (y) the Screen Page Reference Rate has been or will be permanently or indefinitely discontinued, or (z) the Screen Page Reference Rate has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally, or in respect of the Securities, provided that, if such public statement or publication mentions that the event or circumstance referred to in (x), (y) or (z) above will occur on a date falling later than six (6) months after the relevant public statement or publication, the Reference Rate Fallback Event shall be deemed to occur on the date falling six (6) months prior to such specified date (and not the date of the relevant public statement);
- (iii) it has or will prior to the next Interest Determination Date (as applicable), become unlawful for the Calculation Agent or any other party responsible for determining the Screen Page Reference Rate to calculate any payments due to be made to any Holder using the Screen Page Reference Rate (including, without limitation, under BMR, if applicable); or
- (iv) the making of a public statement or publication of information that any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of the Screen Page Reference Rate or the administrator of the Screen Page Reference Rate has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the use of the Screen Page Reference Rate is not or will not be permitted under any applicable law or regulation, such that the Calculation Agent or any other party responsible for determining the Screen Page Reference Rate is unable to perform its obligations in respect of the Securities.

A change in the methodology of the Screen Page Reference Rate shall not, absent the occurrence of one of the above, be deemed a Reference Rate Fallback Event.

**"Register"** is as defined in Condition 23;



**"Registered Certificates"** is as defined in Condition 29;

**"Registered Global Certificate"** is as defined in Condition 29;

**"Registered Global Security"** means (a) in the case of an issue of Warrants, a Registered Global Warrant and (b) in the case of an issue of Certificates, a Registered Global Certificate;

**"Registered Global Warrant"** is as defined in Condition 21;

**"Registered Securities"** means (a) in the case of an issue of Warrants, Registered Warrants and (b) in the case of an issue of Certificates, Registered Certificates;

**"Registered Warrants"** is as defined in Condition 21;

**"Registrar"** is as defined in paragraph 3 of these Terms and Conditions;

**"Regulation S"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Regulation S Global Certificate"** is as defined in Condition 29;

**"Regulation S Global Security"** means (a) in the case of an issue of Warrants, a Regulation S Global Warrant and (b) in the case of an issue of Certificates, a Regulation S Global Certificate;

**"Regulation S Global Warrant"** is as defined in Condition 21;

**"Related Expenses"** is as defined in Condition 11.2;

**"Relevant Adjustment Provisions"** is as defined in Condition 16.6 and 34.9(b);

**"Relevant Jurisdiction"** means the country in which (as the case may be) the Shares, the Shares relating to the depositary receipts, the ETI Interests, the Debt Instruments, the Fund or the Fund Units are issued (or in which the issuer of such Shares, ETI Interests, Debt Instruments or Fund Units is incorporated) or the Index is based, as specified in the applicable Final Terms;

**"Reset Date"** is as defined in Condition 32(b)(iii);

**"Rolling Futures Contract Securities"** means a Security that is specified as such in the applicable Final Terms;

**"Rule 144A"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Rule 144A Certificates"** is as defined in Condition 29;

**"Rule 144A Global Certificate"** is as defined in Condition 29;

**"Rule 144A Global Security"** means (a) in the case of an issue of Rule 144A Warrants, the Rule 144A Global Warrant representing such Rule 144A Warrants and (b) in the case of an issue of Rule 144A Certificates, the Rule 144A Global Certificate representing such Rule 144A Certificates;

**"Rule 144A Global Warrant"** is as defined in Condition 21;

**"Rule 144A Warrants"** is as defined in Condition 21;

**"Scheduled Averaging Date"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Scheduled Closing Time"** means, in respect of an Exchange, Related Exchange or (if "China Connect" is specified as applicable in the applicable Final Terms) the China Connect Service and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange, Related Exchange or the China Connect Service, as the case may be, on such Scheduled Trading Day, without regard (in the the case of any Exchange or Related Exchange) to after hours or any other trading outside of the regular trading session hours or (in the case of the China Connect Service) any after hours or any other order routing outside of the regular order routing session hours, subject, in respect of Index Securities, to subparagraphs (b) and (c) of the definition of Valuation Time, and subject, in respect of Share Securities, to subparagraph (c) of the definition of Valuation Time;

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

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

**"Secured Securities"** is as defined in Condition 2.1;

**"Securities"** is as defined in paragraph 2 of these Terms and Conditions;

**"Securities Act"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Security Agent"** and **"Security Agents"** are as defined in paragraph 3 of these Terms and Conditions;

**"Security Expenses"** is as defined in Condition 11.1 and Condition 25.3(a)(iv);

**"Settlement Business Day"** is as defined in Condition 5.1;

**"Settlement Date"** is as defined in Condition 20;

**"Settlement Disruption Event"** is as defined in Condition 5.1;

**"SFIA Act"** is as defined in Condition 21 (in the case of Warrants) and Condition 29 (in the case of Certificates);

**"Share"** is as defined in Condition 15.2(e);

**"Share OET Certificate"** means a Share Security that is an OET Certificate;

**"Share Securities"** is as defined in Condition 2.1;

**"Specified Maximum Days of Disruption"** means (other than with respect to Commodity Securities and Currency Securities) eight Scheduled Trading Days or such other number of Scheduled Trading Days specified in the applicable Final Terms, with respect to Currency Securities, five Scheduled Trading Days and with respect to Commodity Securities, five Commodity Business Days;

**"STIBOR"** means the Stockholm interbank offered rate;

**"Stop-Loss Event"** is as defined in Condition 15.1;

**"Strike Date"** means, in the case of Index Securities, Share Securities, ETI Securities, Futures Securities or Listed Option Securities, the Strike Date specified in the applicable Final Terms, or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day unless, in the opinion of the Calculation Agent such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (a) where the Securities are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Futures Securities relating to a single Future or Listed Option Securities relating to a single Listed Option Contract, the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day and (ii) the Calculation Agent shall determine the relevant level or price in the manner set out in the applicable Final Terms or, if not set out or practicable, determine the relevant level or price:
  - (i) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (ii) in the case of Share Securities, ETI Securities, Futures Securities or Listed Option Securities, in accordance with its good faith estimate of the relevant price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (b) where the Securities are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Futures Securities relating to a Basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts, the Strike Date for each Index, Share, ETI Interest, Future or Listed Option Contract, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Strike Date and the Strike Date for each Index, ETI Interest, Share, Future or Listed Option Contract affected, as the case may be (each an **"Affected Item"**), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Strike Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled Trading Day shall be deemed to be the Strike Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the relevant level or price using, in relation to the Affected Item, the level or price as applicable, determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:
  - (i) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such

consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or

- (ii) in the case of a Share, ETI Interest, Future or Listed Option Contract, its good faith estimate of the price for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; or

- (c) in the case of Commodity Securities, the Initial Pricing Date;

**"Strike Price"** is as defined in Condition 28;

**"Substitute"** is as defined in Condition 13.1;

**"Substitute Asset"** and **"Substitute Assets"** is as defined in Condition 5.4;

**"Substitute Guarantee"** is as defined in Condition 13.2(b);

**"Substitute Guarantor"** is as defined in Condition 13.2;

**"Substitute Share"** is as defined in Condition 15.2(e);

**"Substitution Date"** is as defined in Condition 15.2(e);

**"sub-unit"** is as defined in Condition 32(a);

**"Successor Index"** is as defined in Condition 15.2(d);

**"Swedish Agency Agreement"** is as defined in paragraph 3 of these Terms and Conditions;

**"Swedish Dematerialised Certificates"** is as defined in Condition 28;

**"Swedish Dematerialised Securities"** means (a) in the case of an issue of Warrants, Swedish Dematerialised Warrants and (b) in the case of an issue of Certificates, Swedish Dematerialised Certificates;

**"Swedish Dematerialised Warrants"** is as defined in Condition 20;

**"Swedish Record Date"** is as defined in Condition 35.1;

**"Swedish Security Agent"** is as defined in paragraph 3 of these Terms and Conditions;

**"Swiss Dematerialised Certificates"** is as defined in Condition 28;

**"Swiss Dematerialised Securities"** means (a) in the case of an issue of Warrants, Swiss Dematerialised Warrants and (b) in the case of an issue of Certificates, Swiss Dematerialised Certificates;

**"Swiss Dematerialised Warrants"** is as defined in Condition 20;

**"Swiss Materialised Certificates"** is as defined in Condition 28;

**"Swiss Materialised Securities"** means (a) in the case of an issue of Warrants, Swiss Materialised Warrants and (b) in the case of an issue of Certificates, Swiss Materialised Certificates;

**"Swiss Materialised Warrants"** is as defined in Condition 20;

**"Swiss Securities"** means Swiss Materialised Securities and Swiss Dematerialised Securities;

**"Swiss Security Agent"** means the entity specified in the applicable Final Terms;

**"Taiwan FINI"** means an entity incorporated outside Taiwan with Foreign Institutional Investor (FINI) status in Taiwan or with FINI sub-account status in Taiwan;

**"Taxes"** is as defined in Condition 11.2;

**"Transfer Certificate"** is as defined in Condition 23;

**"Treaty"** is as defined in Condition 17(b);

**"Underlying Reference"** is as defined in Condition 16.6 and 34.9(b);

**"Underlying Reference Level"** is as defined in Condition 34.9(b);

**"Underlying Share"** is as defined in Condition 2.1;

**"Units"** is as defined in Condition 22;

**"U.S. Certificates"** is as defined in Condition 29;

**"U.S. person"** means a person that is (i) a "U.S. person" as defined in Regulation S under the Securities Act; or (ii) a person other than a "Non-United States Person" as defined in Rule 4.7 under the Commodity Exchange Act; or (iii) a "U.S. person" as defined in (a) the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the CFTC or (b) the final rule relating to Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants promulgated by the CFTC, in each case as amended, modified or supplemented from time to time, pursuant to the Commodity Exchange Act; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act;

**"U.S. Securities"** means (a) in the case of an issue of Warrants, U.S. Warrants and (b) in the case of an issue of Certificates, U.S. Certificates;

**"U.S. Warrants"** is as defined in Condition 21;

**"Valid Date"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Valuation Date"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Valuation Time"** is as defined in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates);

**"Vietnamese QI"** means a corporation that both (a) incorporated outside the Socialist Republic of Vietnam and (b) does not have any permanent establishment in the Socialist Republic of Vietnam; and

**"Warrants"** is as defined in paragraph 2 of these Terms and Conditions.

## 2. TYPE, TITLE AND TRANSFER

### 2.1 Type

The Securities relate to a specified index or basket of indices ("**Index Securities**"), a specified share (including Stapled Shares (as defined in Share Security Condition 1)) basket of shares, or a specified depositary receipt (a "**GDR/ADR**") referencing a share (an "**Underlying Share**") or basket of GDRs and/or ADRs ("**Share Securities**"), a specified interest in an exchange traded fund, an exchange traded note, an exchange traded commodity or any other exchange traded product (each an "**exchange traded instrument**") or basket of interests in exchange traded instruments ("**ETI Securities**"), a specified debt instrument or basket of debt instruments ("**Debt Securities**"), a specified commodity or commodity index or basket of commodities and/or commodity indices ("**Commodity Securities**"), a specified inflation index or basket of inflation indices ("**Inflation Index Securities**"), a specified currency or basket of currencies ("**Currency Securities**"), a specified fund share or unit or basket of fund shares or units ("**Fund Securities**"), a specified futures contract or basket of futures contract(s) ("**Futures Securities**"), a specified listed option contract or basket of listed option contracts ("**Listed Option Securities**"), the credit of a specified reference entity or reference entities ("**Credit Securities**"), a specified preference share issued by BNP Paribas Synergy Limited ("**Preference Share Certificates**") or any other or further type of Securities as is specified in the applicable Final Terms including Securities issued by BNPP B.V. in respect of which BNPP B.V. grants security over certain of its assets ("**Secured Securities**") and/or Securities which relate to any combination of such indices, shares, interests in exchange traded instruments, debt instruments, commodities, inflation indices, currencies, fund shares or units, futures contract(s), the credit of a specified reference entity or reference entities and other asset classes or types ("**Hybrid Securities**").

If Averaging is specified as applying in the applicable Final Terms, the applicable Final Terms will state the relevant Averaging Dates and, if an Averaging Date is a Disrupted Day, whether Omission, Postponement or Modified Postponement (each as defined in Condition 20 in the case of Warrants or Condition 28 in the case of Certificates) applies.

References in these Terms and Conditions, unless the context otherwise requires, to Cash Settled Securities shall be deemed to include references to (a) Physical Delivery Securities, which include an option (as set out in the applicable Final Terms) at the Issuer's election to request cash settlement of such Security pursuant to Condition 5.3 and where settlement is to be by way of cash payment, and (b) Physical Delivery Securities where settlement is to be automatically varied to be by way of cash payment pursuant to Condition 5.3. References in these Terms and Conditions, unless the context otherwise requires, to Physical Delivery Securities shall be deemed to include references to Cash Settled Securities 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 Security pursuant to Condition 5.3 and where settlement is to be by way of physical delivery. Unless otherwise specified in the applicable Final Terms, the Issuer does not have the option to vary settlement in respect of the U.S. Securities pursuant to Condition 5.3.

Securities may, if specified in the applicable Final Terms, 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 Securities where the Holder has elected for cash payment will be Cash Settled Securities and those Securities where the Holder has elected for physical delivery will be Physical Delivery Securities. 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 and will be subject to the Issuer's right to substitute assets or pay the Alternate Cash Amount (as defined below) in lieu of physical delivery in accordance with these Conditions.

## 2.2 Title to Securities other than Registered Securities

In the case of Securities represented by a Clearing System Global Security held by a Common Depository on behalf of a relevant Clearing System or held by a relevant Clearing System or by Euroclear France and French Law Securities, each person who is for the time being shown in the records of the relevant Clearing System (in the case of Dutch Law Warrants or English Law Securities other than English Law Securities held through Euroclear France) or whose name appears in the account of the relevant Account Holder (in the case of French Law Securities or English Law Securities held through Euroclear France, together "**Euroclear France Securities**" or in the case of French Law Securities held by Euroclear Netherlands "**Euroclear Netherlands Securities**") as the holder of a particular amount of such Securities (in which regard any certificate or other document issued by the relevant Clearing System or, as the case may be, Account Holder as to the amount of 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 by the Issuer, the Guarantor, if any, and the relevant Security Agent as the holder of such amount of Securities for all purposes (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly).

In the case of Swedish Dematerialised Securities, the person for the time being shown in the Euroclear Sweden Register as the holder of a particular amount of Securities shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, the Security Agents, Euroclear Sweden and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). The Issuer shall cause such Securities to be accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System in accordance with the SFIA Act and Euroclear Sweden Rules. The Issuer shall have the right to obtain extracts from the debt register of Euroclear Sweden.

In the case of Finnish Dematerialised Securities, the person in whose name the Finnish Dematerialised Security is registered in the book-entry account in the Euroclear Finland Register (including a nominee account holder, as the case may be) shall (except as otherwise required by law) be treated for all purposes by the Issuer, the Guarantor, the Security Agents, Euroclear Finland and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly). Where a nominee is so evidenced it shall be treated as the holder of the relevant Finnish Dematerialised Securities. The Issuer shall cause such Securities to be accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System in accordance with Finnish laws, rules, regulations and operating procedures applicable to, and/or issued by Euroclear Finland. Notwithstanding any secrecy obligation, the Issuer shall be entitled to obtain information (including but not limited to information on Holders) from the Euroclear Finland Register maintained by Euroclear Finland as registrar on behalf of the Issuer in accordance with the rules of Euroclear Finland, and Euroclear Finland shall be entitled to provide such information to the Issuer notwithstanding any secrecy obligation. Furthermore, the Issuer shall, subject to regulations of Euroclear Finland and applicable laws, be entitled to acquire from Euroclear Finland a list of the holders of Finnish Dematerialised Securities, provided that it is technically possible for Euroclear Finland to maintain such a list. The Issuer shall be entitled to pass such information to the Finnish Security Agent or to authorize such agent to acquire such information from Euroclear Finland directly. Except as ordered by a court of competent jurisdiction or as required by law, the Holder of any Finnish Dematerialised Securities shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the Holder.

In the case of Italian Dematerialised Securities, the person who is for the time being shown in the records of Monte Titoli as the holder of a particular amount of Securities (in which regard any certificate, record or other document issued by Monte Titoli as to the amount of 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 applicable law) be treated for all purposes by the Issuer, the Guarantor, the Italian Security Agent and all other persons dealing with such person as the holder thereof and as the person entitled to exercise the rights represented thereby notwithstanding any notice to the contrary (and the expressions "**Holder**" and "**Holder of Securities**" and related expressions shall be construed accordingly, except where Italian law is applicable, in which case "**Holder**" and "**Holder of Securities**" will be exclusively deemed to be the beneficial owner of the Securities). The Issuer shall cause Italian Dematerialised Securities to be dematerialised and centralised with Monte Titoli, pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions.

Title to French Law Securities held through Euroclear France will be evidenced in accordance with Article L.211-3 of the French *Code monétaire et financier* by book-entries (*inscription en compte*). No document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of such Securities. The French Law Securities held through Euroclear France will, upon issue, be inscribed in the books of Euroclear France which will credit the accounts of the relevant Account Holders.

Title to OET Certificates cleared through Euroclear Netherlands is established by account entry in accordance with the Dutch Act on Giro Transfers of Securities ('*Wet giraal effectenverkeer*'). No physical document or certificate will be issued in respect of such OET Certificates.

Once issued, OET Certificates that are Euroclear France Securities or Euroclear Netherlands Securities shall be deposited with Euroclear France or Euroclear Netherlands, as the case may be, acting as central depositary and registered in an account in the books of Euroclear France or Euroclear Netherlands, as the case may be, which shall credit the accounts of the Account Holders (including Euroclear and Clearstream, Luxembourg).

However, the Issuer reserves the right, if such option is provided in the Final Terms, to have OET Certificates transferred from Euroclear France or Euroclear Netherlands, as the case may be, at any time (in the case of OET Certificates already issued) to, or to deposit the OET Certificates of a particular issue (in the case of OET Certificates yet to be issued) with, another depositary whose registered office is situated within a European Economic Area country. In the event of a change of depositary, the Issuer shall comply with all laws, regulations and tax rules applicable to the functions of such depositary.

For the purpose of these Conditions, "**Account Holder**" means any authorised financial intermediary institution entitled to hold accounts, directly or indirectly, on behalf of its customers with Euroclear France or Euroclear Netherlands, and includes Euroclear and the depositary bank for Clearstream, Luxembourg and/or any other relevant Clearing System.

In the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, the Rule 144A Global Security will be registered in the name of Cede & Co., as nominee of DTC. Transfers of such Rule 144A Global Security by such nominee of DTC shall be limited to transfers of such Rule 144A Global Security, in whole but not in part, to another nominee of DTC or to a successor of DTC or such successor's nominee. Rights conferred by the Rule 144A Global Security are only enforceable by the Holders (as defined below) as provided therein. Subject as set forth in Condition 2.4 below, each person who is for the time being shown in the records of DTC as the Holder of a particular number (in the case of Warrants) or amount (in the case of Certificates) of Securities shall (except as otherwise required by law) be treated by the Issuer and the New York Security Agent as the Holder of



such number or amount, as the case may be, of Securities for all purposes (and the expressions "**Holder of Securities**" and related expressions shall be construed accordingly).

In the case of Private Placement Definitive Securities, the Issuer shall cause to be kept at the principal office of the Definitive Security Agent, a register (the "**Private Placement Register**") on which shall be entered the names and addresses of all holders of Private Placement Definitive Securities, the number or amount, as the case may be, and type of Private Placement Definitive Securities held by them and details of all transfers of Private Placement Definitive Securities. Subject as set forth in Condition 2.4 below, the persons shown in the Private Placement Register (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owners of the relevant Private Placement Definitive Securities for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

### 2.3 Title to Registered Securities

Provisions relating to title to Registered Warrants are set out in Condition 23.

Provisions relating to title to Registered Certificates are set out in Condition 31.

### 2.4 Transfers of Interests in Clearing System Securities and Private Placement Definitive Securities

Transfers of Warrants may not be effected after the exercise of such Warrants pursuant to Condition 25.

Transfers of Certificates may not be effected after the redemption of such Certificates pursuant to Condition 34.

Subject as set forth in this Condition, all transactions (including permitted transfers of Securities) in the open market or otherwise must be effected, in the case of Securities represented by a Clearing System Global Security held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, Euroclear Netherlands or Euroclear France, through an account at Clearstream, Luxembourg or Euroclear, as the case may be, and/or any other relevant Clearing System, or in the case of Euroclear France Securities or Euroclear Netherlands Securities as the case may be, through Account Holder(s), or in the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, through a direct or indirect participant of DTC, subject to and in accordance with the rules and procedures for the time being of the relevant Clearing System(s). Transfers in respect of Clearing System Securities governed by French Law must be effected through Account Holders(s). Title will pass upon registration of the transfer in the books of the relevant Clearing System.

Any reference herein to Clearstream, Luxembourg and/or Euroclear and/or DTC and/or Monte Titoli and/or any other relevant Clearing System 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 Security Agent from time to time and notified to the Holders in accordance with Condition 10.

Subject as set forth in this Condition, Private Placement Definitive Securities may be transferred by the then current Holder surrendering its Private Placement Definitive Security for registration of transfer at the specified office of the Definitive Security Agent, duly endorsed by, or accompanied by a written instrument of transfer (in the form satisfactory to BNPP and the Definitive Security Agent), and duly executed by the Holder or its duly authorised agent. Private Placement Definitive Securities may only be issued and transferred in minimum nominal amounts of U.S. \$250,000 or more.

- (a) Transfers of Securities to a person who takes delivery in the form of Securities represented by a Regulation S Global Security or Rule 144A Global Security may be made only in accordance with the following provisions:
- (i)
    - (A) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security, from a Holder of Securities represented by a Regulation S Global Security, to a person that is not a U.S. person in an offshore transaction pursuant to Regulation S;
    - (B) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a person that is not a U.S. person in an offshore transaction pursuant to Regulation S;
    - (C) in the case of transfers to a person who takes delivery in the form of U.S. Securities represented by a Rule 144A Global Security, from a Holder of Private Placement Definitive Securities, upon certification (in the form from time to time available from any Security Agent) to the New York Security Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is a QIB acquiring such Securities in a transaction meeting the requirements of Rule 144A;
    - (D) in the case of transfers to a person who takes delivery in the form of U.S. Securities represented by a Rule 144A Global Security, from a Holder of U.S. Securities represented by a Rule 144A Global Security, in a transaction meeting the requirements of Rule 144A and, in the case of U.S. Securities issued by BNPP B.V. in accordance with paragraph (d) below;
    - (E) in the case of transfers to a person who takes delivery in the form of U.S. Securities represented by a Regulation S Global Security, from a Holder of U.S. Securities represented by a Rule 144A Global Security, upon certification (in the form from time to time available from any Security Agent) to the Principal Security Agent by the transferor thereof that such transfer is being made to a person that is not a U.S. person in an offshore transaction pursuant to Regulation S; and
    - (F) in each case, in accordance with any applicable rules and regulations of the Principal Security Agent, the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.
  - (ii) The Holder must send:
    - (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent, not later than 5.00 p.m., New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;

- (B) in the case of transfers of Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
- (C) in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

(iii) On the transfer date:

- (A) (I) in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security, the relevant Clearing System will debit the account of its participant and (II) in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and
- (B) the relevant Clearing System or the Holder, as the case may be, will instruct (I) in the case of transfers to a person who takes delivery in the form of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, the Principal Security Agent to instruct Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, as the case may be, to credit the relevant account of the relevant Clearing System participant, and (II) in the case of transfers to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, (a) the New York Security Agent (in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC) to credit the relevant account of the DTC participant, (b) the Definitive Security Agent (in the case of transfers of Private Placement Definitive Securities) to credit the relevant account of the DTC participant, or (c) the Principal Security Agent (in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) to instruct DTC to credit the relevant account of the relevant Clearing System at DTC and thereafter DTC will debit such account of the relevant Clearing System, and will credit the relevant account of the DTC participant.

- (iv) Upon any such transfers, on the transfer date:
  - (A) the Principal Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, will increase or decrease, if appropriate, the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, whereupon the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, as the case may be, shall be increased or decreased, as applicable, for all purposes by the number so transferred and endorsed; or
  - (B) the New York Security Agent, in the case of transfers to and/or from a person who takes delivery in the form of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, will increase or decrease, as applicable, the number of Securities represented by such Rule 144A Global Security, whereupon the number of Securities represented by such Rule 144A Global Security shall be increased or decreased, as applicable, for all purposes by the number so transferred and endorsed.
- (b) Transfers of Securities to a person who takes delivery in the form of Private Placement Definitive Securities may be made only in accordance with the following provisions:
  - (i)
    - (A) in the case of transfers from a Holder of Private Placement Definitive Securities, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI acquiring such Securities in a transaction exempt from the registration requirements of the Securities Act;
    - (B) in the case of transfers from a Holder of U.S. Securities represented by a Rule 144A Global Security, upon (I) delivery of a duly executed investor representation letter from the relevant transferee in accordance with paragraph (c) below and (II) certification (in the form from time to time available from any Security Agent) to the Definitive Security Agent by the transferor thereof that such transfer is being made to a person whom the transferor reasonably believes is an AI who is acquiring such Securities in a transaction exempt from the registration requirements of the Securities Act; and
    - (C) in each case, in accordance with any applicable securities laws of any state of the United States and any applicable rules and regulations of the New York Security Agent, the Definitive Security Agent, the relevant Clearing System and/or as specified in the applicable Final Terms.
  - (ii) The Holder must send:

- (A) in the case of transfers of Private Placement Definitive Securities, a free of payment instruction to the Definitive Security Agent not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect;
- (B) in the case of transfers of Securities represented by a Regulation S Global Security or a Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, a free of payment instruction to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, not later than 10.00 a.m. local time in the city of the relevant Clearing System, one Business Day in the city of the relevant Clearing System prior to the date on which the transfer is to take effect; and
- (C) in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, a free of payment instruction to DTC, not later than 5.00 p.m. New York City time, at least two Business Days in New York prior to the date on which the transfer is to take effect.

Separate payment arrangements are required to be made between the transferor and the transferee.

(iii) On the transfer date:

- (A) in the case of transfers of Securities represented by a Clearing System Global Security, the relevant Clearing System will debit the account of its participant and, in the case of transfers of Private Placement Definitive Securities, the Holder must deliver the Private Placement Definitive Securities the subject of the transfer to the Definitive Security Agent and instruct the Definitive Security Agent to cancel the transferred Private Placement Definitive Securities; and
- (B) the relevant Clearing System or the Holder, as the case may be, will instruct the Definitive Security Agent to deliver or procure the delivery of new Private Placement Definitive Securities, of a like number to the number of Securities transferred, to the transferee at its specified office or send such new Private Placement Definitive Securities, by uninsured mail, at the risk of the transferee, to such address as the transferee may request.

(iv) Upon any such transfer, on the transfer date:

- (A) the Principal Security Agent will, in the case of transfers of Securities represented by a Regulation S Global Security or Rule 144A Global Security held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System, decrease the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security, if applicable, whereupon the number of Securities represented by such Regulation S Global Security or Rule 144A Global Security shall, if applicable, be reduced for all purposes by the number so transferred or exchanged and endorsed; or

- (B) the New York Security Agent will, in the case of transfers of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, decrease the number of Securities represented by such Rule 144A Global Security, if applicable, whereupon the number of Securities represented by such Rule 144A Global Security shall, if applicable, be decreased for all purposes by the number so transferred and endorsed.
- (c) In the case of transfers of Securities to a person who takes delivery in the form of a Private Placement Definitive Security, the delivery of a duly executed investor representation letter in the form set out in the Agency Agreement (an "**Investor Representation Letter**") from the relevant transferee to the Definitive Security Agent is a condition precedent to the transfer of such Private Placement Definitive Security or any beneficial interests therein. The Investor Representation Letter must be duly executed by such proposed transferee or such proposed transferee's attorney duly authorised in writing, at least three Business Days in New York prior to the date the transfer of such Private Placement Definitive Security is desired. Any attempted transfer in which the Investor Representation Letter and the proposed transfer was not effected in accordance with the foregoing procedures shall not be valid or binding on BNPP.
- If (i) the Principal Security Agent (in relation to Regulation S Global Securities or Rule 144A Global Securities held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System) or (ii) the New York Security Agent (in relation to Rule 144A Global Securities held by a Custodian on behalf of DTC) or (iii) the Definitive Security Agent (in relation to Private Placement Definitive Securities) subsequently determines or is subsequently notified by BNPP that (A) a transfer or attempted or purported transfer of any interest in a Private Placement Definitive Security was consummated in compliance with the provisions of this paragraph on the basis of an incorrect form or certification from the transferee or purported transferee as set forth in the relevant Investor Representation Letter, or (B) the Holder of any interest in any Security was in breach, at the time given, of any representation or agreement given by such Holder (including, but not limited to, in the case of Private Placement Definitive Securities, any such representation or agreement set forth in the relevant Investor Representation Letter) or (iii) a transfer or attempted transfer of any interest in any Security was consummated that did not comply with the transfer restrictions set forth in this Condition 2.4, the purported transfer shall be absolutely null and void *ab initio* and shall vest no rights in the purported transferee (such purported transferee, a "**Disqualified Transferee**") and the last preceding Holder of such interest that was not a Disqualified Transferee shall be restored to all rights as a Holder thereof retroactively to the date of transfer of such interest by such Holder.
- (d) In the case of transfers of Securities to a person who takes delivery in the form of Securities represented by a Rule 144A Global Security issued by BNPP B.V., the transferor shall have agreed in an Investor Representation Letter to certain restrictions on transfer and, the transfer shall be subject to the delivery of a duly executed Investor Representation Letter from the relevant transferee to BNPP B.V. Any attempted transfer that is not in accordance with the procedures set forth in the transferor's Investor Representation Letter and with any procedures set forth in any applicable U.S. wrapper to the Base Prospectus shall not be valid or binding on BNPP B.V. or BNPP.

## 2.5 Transfer of Registered Securities

Provisions relating to the transfer of Registered Warrants are set out in Condition 23.

Provisions relating to the transfer of Registered Certificates are set out in Condition 31.

#### 2.6 Transfer of Swedish Dematerialised Securities

Title to Swedish Dematerialised Securities will pass upon entry in the Euroclear Sweden Register (or, if applicable, notice to a nominee under the terms of the SFIA Act) in accordance with the SFIA Act.

#### 2.7 Transfer of Finnish Dematerialised Securities

Title to Finnish Dematerialised Securities shall pass by transfer from a Holder's book-entry account to another person's, whether a legal person or an individual, book-entry account within Euroclear Finland (except where the Finnish Dematerialised Securities are nominee-registered and are transferred from one account to another account with the same nominee). Finnish Dematerialised Securities will be transferable only in accordance with the legislation, rules and regulations applicable to, and/or issued by, Euroclear Finland.

#### 2.8 Transfer of Italian Dematerialised Securities

Title to Italian Dematerialised Securities will pass upon registration of the transfer in the records of Monte Titoli.

#### 2.9 Transfer of Swiss Securities

As long as Swiss Securities constitute intermediated securities pursuant to the Swiss Federal Intermediated Securities Act (the "**FISA**") (*Bucheffektengesetz*), they may solely be transferred and otherwise disposed of in accordance with the Swiss Federal Intermediated Securities Act. The intermediated securities are transferred and otherwise disposed of by instruction of the account holder to his depositary to transfer such intermediated securities and crediting them to the account of the transferee's depositary.

**The Holders of Swiss Securities shall at no time have the right to demand the conversion of intermediated securities pursuant to FISA (*Bucheffektengesetz*) or uncertificated securities into, or the delivery of, a global warrant or certificate (*Globalurkunde*) or, as the case may be, individual certificated securities (*Wertpapiere*).**

### 3. STATUS OF THE SECURITIES AND GUARANTEE

The Securities are unsubordinated and unsecured obligations of the relevant Issuer and rank *pari passu* among themselves.

Where the Issuer is BNPP B.V., the Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

The potential impact on the Securities (or, if applicable, on the Guarantee) in the event of the resolution of BNPP is detailed in Condition 37 (*Recognition of Bail-in and Loss Absorption*).

### 4. GUARANTEE

Where the Issuer is BNPP B.V., subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably (a) guaranteed to each Holder all obligations of the Issuer in respect of such Holder's Securities as and when such obligations become due and (b) agreed that if and each time

that the Issuer fails to satisfy any obligations under such Securities as and when such obligations become due, BNPP will not later than five Paris Business Days (as defined in the relevant Guarantee) after a demand has been made on BNPP pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligations provided that (i) in the case of Physical Delivery Certificates and, in the case of Physical Delivery Warrants that are Call Warrants, notwithstanding that the Issuer had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, BNPP will have the right at its sole and unfettered discretion to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Security of an amount determined by BNPP in its sole and absolute discretion equal to the Cash Settlement Amount that would have been payable upon exercise (in the case of Warrants) or redemption (in the case of Certificates) of such Securities assuming they were Cash Settled Securities calculated pursuant to the terms of the relevant Final Terms, or in the case of lack of liquidity of the underlying, the fair market value of such Security less the costs of unwinding any underlying related hedging arrangements (the "**Guaranteed Cash Settlement Amount**") and (ii) in the case of Securities where the obligations of the Issuer which fail to be satisfied constitute the delivery of the Entitlement to the Holders, the Guarantor will as soon as practicable following the failure by the Issuer to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (A) a Settlement Disruption Event (as defined in Condition 5.1) or (B) if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms, a Failure to Deliver due to Illiquidity (as defined in Condition 15.1), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (A) above, the Guaranteed Cash Settlement Amount or, in the case of (B) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security. Payment of the Guaranteed Cash Settlement Amount as the Failure to Deliver Settlement Price, as the case may be, will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## 5. GENERAL PROVISIONS RELATING TO PHYSICAL SETTLEMENT IN RESPECT OF SECURITIES

### 5.1 Settlement Disruption

If, (i) in the case of Warrants following the exercise of Physical Delivery Warrants, and (ii) in the case of Securities, in the opinion of the Calculation Agent, delivery of the Entitlement using the method of delivery specified in the applicable Final Terms or such commercially reasonable manner as the Calculation Agent has determined is not practicable by reason of a Settlement Disruption Event (as defined below) having occurred and continuing on any Settlement Date (in the case of Warrants) or Delivery Date (in the case of Certificates), then such Settlement Date or Delivery Date, as the case may be, for such Securities 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 Security or in the case of Warrants, if applicable, 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 or Delivery Date, as the case may be, 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 or Delivery Date, as the case may be, for the Relevant Assets not affected by the Settlement Disruption Event will be the originally designated Settlement Date or Delivery Date, as the case may be.

In the case of Warrants, 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 in its discretion the appropriate pro rata portion of the Exercise Price to be paid by the relevant Holder 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, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, by payment to the relevant Holder 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 Holders in accordance with Condition 10. Payment of the Disruption Cash Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10. The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with Condition 10 that a Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer or the Guarantor (if any).

For the purposes hereof:

**"Disruption Cash Settlement Price"** means, in respect of any relevant Security or in the case of Warrants, if applicable, Unit, as the case may be, the fair market value of such Security or in the case of Warrants, if applicable, Unit, as the case may be (disregarding, 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 non-affected Relevant Assets), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless otherwise provided in the applicable Final Terms), all as determined by the Issuer in its sole and absolute discretion, plus in the case of Warrants, if applicable and 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);

**"Settlement Business Day"** has the meaning specified in the applicable Final Terms; and

**"Settlement Disruption Event"** means, in the opinion of the Calculation Agent or, if the proviso to Condition 4 applies, BNPP, an event beyond the control of the Issuer or, if the proviso to Condition 4 applies, BNPP as a result of which the Issuer or BNPP, as the case may be, cannot make delivery of the Relevant Asset(s) using the method specified in the applicable Final Terms.

## 5.2 Failure to Deliver due to Illiquidity

**"Failure to Deliver due to Illiquidity"**, if specified as applying in the applicable Final Terms, will be an Optional Additional Disruption Event, as described in Condition 15.1 below.

## 5.3 Variation of Settlement

- (a) If the applicable Final Terms indicate that the Issuer has an option to vary settlement in respect of the Securities (which, unless otherwise specified, will not apply to U.S. Securities), and subject in the case of Warrants to a valid exercise of the Warrants in accordance with these Conditions, the Issuer may at its sole and absolute discretion in respect of each such Security or in the case of Warrants, if applicable, Unit, elect not to pay the relevant Holders the Cash Settlement Amount or to deliver or procure delivery of the Entitlement to the relevant Holders, 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 (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders, as the case may be. Notification of such election will be given to Holders in accordance with Condition 10.
- (b) If specified in the applicable Final Terms, and subject in the case of Warrants to a valid exercise of Warrants in accordance with these Conditions, the Issuer shall, in respect of each such Security or in the case of Warrants, if applicable, each Unit, in lieu of delivering or procuring the delivery of the Entitlement to the relevant Holders, make payment of the Cash Settlement Amount on the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) to the relevant Holders.

#### 5.4 Issuer's Option to Substitute Assets or to pay the Alternate Cash Amount

Following a valid exercise or redemption, as the case may be, of Securities in accordance with these Conditions, the Issuer may, in its sole and absolute discretion in respect of such Securities, if the Calculation Agent determines (in its sole and absolute discretion) that the Relevant Asset or Relevant Assets, as the case may be, comprise(s) shares or interests in ETIs which are not freely tradable, elect either (a) to substitute for the Relevant Asset or the Relevant Assets, as the case may be, an equivalent value (as determined by the Calculation Agent in its sole and absolute discretion) of such other shares or interests in ETIs which the Calculation Agent determines, in its sole and absolute discretion, are freely tradable (the "**Substitute Asset**" or the "**Substitute Assets**", as the case may be) or (b) not to deliver or procure the delivery of the Entitlement or the Substitute Asset or Substitute Assets, as the case may be, to the relevant Holders, but in lieu thereof to make payment to the relevant Holders on the Settlement Date of an amount equal to the fair market value of the Entitlement on the Valuation Date as determined by the Calculation Agent in its sole and absolute discretion by reference to such sources as it considers appropriate (the "**Alternate Cash Amount**"). Notification of any such election will be given to Holders in accordance with Condition 10.

For the purposes hereof, a "**freely tradable**" share or interest in an ETI shall mean (i) with respect to the United States, a share or interest in an ETI, as the case may be, which is registered under the Securities Act with respect to which an exemption from such registration is available, in each case, as determined by the Calculation Agent in its sole and absolute discretion or (ii) with respect to any other jurisdiction, a share or interest in an ETI, as the case may be, not subject to any legal restrictions on transfer in such jurisdiction.

#### 5.5 Commodity Securities shall not be Physical Delivery Securities.

### 6. GENERAL

None of the Issuers, the Guarantor, the Calculation Agent and any Security Agent shall have any responsibility for any errors or omissions in the calculation of any Cash Settlement Amount or of any Entitlement.

The purchase of Securities does not confer on any Holder of such Securities any rights (whether in respect of voting, distributions or otherwise) attaching to any Relevant Asset.

## **7. ILLEGALITY AND FORCE MAJEURE**

### **7.1 Illegality**

If the Issuer determines that the performance of its obligations under the Securities has become illegal in whole or in part for any reason, the Issuer may, in the case of Warrants, cancel, or in the case of Certificates, redeem all but not some only of the Securities by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels or redeems, as the case may be, the Securities then the Issuer will, if and to the extent permitted by applicable law, and except as may be limited in the case of U.S. Securities, pay an amount to each Holder in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value of a Security or Unit, as the case may be, notwithstanding such illegality less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Holders 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.

### **7.2 Force Majeure**

If the Issuer determines that by reason of force majeure or act of state occurring after the Trade Date it becomes impossible or impracticable to perform in whole or in part its obligations under the Securities and/or any related hedging arrangements, the Issuer may, in the case of Warrants, cancel, or in the case of Certificates, redeem the Securities by giving notice to Holders in accordance with Condition 10.

If the Issuer cancels or redeems, as the case may be, the Securities then the Issuer will, if and to the extent possible or practicable, pay an amount (if any) to each Holder in respect of each Security, or in the case of Warrants, if Units are specified as applicable in the applicable Final Terms, each Unit, as the case may be, held by such Holder, which amount shall be equal to the fair market value (if any) of a Security or Unit, as the case may be, taking into account such force majeure or act of state less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements plus, in the case of Warrants, if applicable and if already paid by or on behalf of the Holder, the Exercise Price, all as determined by the Calculation Agent in its sole and absolute discretion. Any payment will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

## **8. PURCHASES**

### **8.1 Purchase and cancellation by BNPP B.V. in respect of any Securities and by BNPP in respect of Warrants**

The Issuer may, but is not obliged to, at any time purchase Securities at any price in the open market or by tender or private treaty. In the case of BNPP B.V., any Securities or, in the case of BNPP, any Warrants so purchased may be held or resold or surrendered for cancellation, provided however, that Securities so purchased may only be resold pursuant to an exemption from the registration requirements of the Securities Act under Rule 144A, Regulation S or otherwise thereunder.

### **8.2 Purchase by BNPP in respect of Certificates**

The Issuer may, but is not obliged to, at any time purchase Certificates at any price in the open market or by tender or private treaty.

Certificates so purchased by the Issuer may be held or resold in accordance with applicable laws and regulations or cancelled.

### 8.3 Cancellation by BNPP in respect of Certificates

All Certificates which are purchased for cancellation by the Issuer will forthwith be cancelled and accordingly may not be re-issued or resold.

## 9. **SECURITY AGENTS, REGISTRAR, DETERMINATIONS, MEETINGS PROVISIONS AND MODIFICATIONS**

### 9.1 Security Agents and Registrar

The specified offices of each of the Security Agents and the Registrar are as set out at the end of these Terms and Conditions.

Each of the Issuer and the Guarantor, if any, reserves the right at any time to vary or terminate the appointment of any Security Agent or the Registrar and to appoint further or additional Security Agents or a further or additional Registrar, provided that no termination of appointment of the Security Agent or the Registrar, as the case may be, shall become effective until a replacement Security Agent or a replacement Registrar, as the case may be, shall have been appointed and provided that, so long as any of the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, there shall be a Security Agent having a specified office in each location required by the rules and regulations of the relevant stock exchange or other relevant authority and, if the Securities are Registered Securities, there shall be a Registrar. So long as any of the Securities are Private Placement Definitive Securities, there shall be a Definitive Security Agent, and so long as any of the Securities are represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, there shall be a New York Security Agent. Notice of any termination of appointment and of any changes in the specified office of any of the Security Agents or the Registrar will be given to Holders in accordance with Condition 10. In acting under the Agency Agreement, the Security Agent and the Registrar act solely as agents of the Issuer and the Guarantor, if any, and do not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders and any determinations and calculations made in respect of the Securities by the Security Agent or the Registrar shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the respective Holders.

In the case of Swedish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Swedish Security Agent, provided that it appoints another Swedish Security Agent that is duly authorised under the SFIA Act as an account operator.

In the case of Finnish Dematerialised Securities the relevant Issuer is entitled to vary or terminate the appointment of the Finnish Security Agent, provided that it appoints another Finnish Security Agent, that is duly authorised under the Central Securities Depositories Regulation and the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä* (348/2017)) as an account operator.

### 9.2 Calculation Agent

In relation to each issue of Securities, the Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the Guarantor, if any, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All

calculations and determinations made in respect of the Securities by the Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders. Because the Calculation Agent may be an affiliate of the Issuer, the Issuer itself or the Guarantor, potential conflicts of interest may exist between the Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Calculation Agent must make.

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.

### 9.3 Determinations by the Issuer and the Guarantor

Any determination made by the Issuer or the Guarantor, if any, pursuant to these Terms and Conditions shall, to the extent permitted by applicable law, (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, if any, and the Holders.

### 9.4 Meetings of Holders

#### (a) English Law Securities or Dutch Law Warrants

In respect of English Law Securities or Dutch Law Warrants, the Agency Agreement contains provisions for convening meetings (including by way of conference call or by use of a video conference platform) of the Holders of English Law Securities or Dutch Law Warrants to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of the Terms and Conditions or the Agency Agreement. At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the meeting is held) specifying the date, time and place of the meeting shall be given to Holders. Such a meeting may be convened by the Issuer, the Guarantor or Holders holding not less than 5 per cent. (by number) of the Securities for the time being, in the case of Warrants, remaining unexercised or, in the case of Certificates, outstanding. The quorum at a meeting of the Holders (except for the purpose of passing an Extraordinary Resolution) will be two or more persons holding or representing not less than 20 per cent. (by number) of Securities, in the case of Warrants, for the time being remaining unexercised or, in the case of Certificates, outstanding, or at any adjourned meeting two or more persons being or representing Holders whatever the number of English Law Securities or Dutch Law Warrants so held or represented. The quorum at a meeting of Holders for the purpose of passing an Extraordinary Resolution will be two or more persons holding or representing not less than 50 per cent. (by number) of the Securities, in the case of Warrants, for the time being remaining unexercised or, in the case of Certificates, outstanding, or at any adjourned meeting two or more persons holding or representing not less than 10 per cent. (by number) of the Securities for the time being remaining unexercised or outstanding, as the case may be. The Agency Agreement provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Agency Agreement by a majority consisting of not less than three-fourths of the votes cast on such a resolution, (ii) a resolution in writing signed by or on behalf of all Holders of the relevant series or (iii) consent given by way of electronic consents through the relevant clearing systems (in a form satisfactory to the Principal Security Agent or the Registrar, as applicable) by or on behalf of all the Holders of the relevant series shall, in each case be effective as an Extraordinary Resolution of the Holders. An Extraordinary Resolution by the Holders will be binding on all the Holders, whether or not they are present at any meeting and whether or not they voted on the resolution, except, in the case of Warrants, for those Warrants remaining unexercised but for which an Exercise Notice shall have been received as described in Condition 25 prior to the date of the meeting. Warrants which have not been exercised but in respect of which an Exercise Notice has been received as described in Condition 25 will not confer the right to attend or vote at, or join in convening, or be counted in the quorum for, any meeting of the Holders. Resolutions can be passed in writing if passed unanimously.

(b) French Law Securities

The French Law Securities may or may not constitute *obligations* within the meaning of Article L.213-5 of the French *Code Monétaire et Financier*.

In this Condition 9.4(b):

- (A) references to a "**General Meeting**" are to a general meeting of Holders of all Tranches of a single Series of French Law Securities and include, unless the context otherwise requires, any adjourned meeting thereof;
- (B) references to "**French Law Securities**", "**Securities**" and "**Holders**" are only to the French Law Securities of the Series in respect of which a General Meeting has been, or is to be, called, and to the French Law Securities of the Series in respect of which a Written Resolution has been, or is to be sought, and to the holders of those French Law Securities (excluding, for the avoidance of doubt, the Issuer), respectively;
- (C) "**outstanding**" has the meaning set out in Condition 9.4(b)(vii) below;
- (D) "**Electronic Consent**" has the meaning set out in Condition 9.4(b)(i)(G) below;
- (E) "**Written Resolution**" means a resolution in writing signed or approved by or on behalf of the holders of not less than 75 per cent. in nominal amount of the French Law Securities outstanding. References to a Written Resolution include, unless the context otherwise requires, a resolution approved by Electronic Consent; and
- (F) "**Written Resolution Date**" has the meaning set out in Condition 9.4(b)(i)(G) below.

In respect of the meeting and voting provisions applicable to a Series of French Law Securities, the applicable Final Terms shall specify one of the following options: "Not applicable", "Contractual representation of French Law Securities/No *Masse*", "Full *Masse*" or "Contractual *Masse*", as further described in this Condition 9.4(b).

"**Not applicable**" means that the relevant French Law Securities do not constitute obligations within the meaning of Article L.213-5 of the French *Code monétaire et financier*. In this case, sub-paragraph 9.4(b)(iv) below shall apply;

"**Contractual representation of Holders/No *Masse***" means that the relevant French Law Securities constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier* and will be specified in relation to French Law Securities which can be traded in amounts or have a Notional Amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date). In this case, Condition 9.4(b)(i) below shall apply.

"**Full *Masse***" means that the relevant French Law Securities constitute obligations within the meaning of Article L.213-5 of the French *Code monétaire et financier* and will be specified in relation to French Law Securities (i) which can be traded in amounts or have a Notional Amount of less than EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) and (ii) issued inside France. "Full *Masse*" may also be specified in relation to any relevant French Law Securities which constitute obligations within the meaning of Article L.213-5 of the French *Code monétaire et financier*. In this case, Condition 9.4(b)(ii) below shall apply;

"**Contractual Masse**" means that the relevant French Law Securities constitute obligations within the meaning of Article L.213-5 of the French *Code monétaire et financier* and will be specified in relation to French Law Securities (i) which can be traded in amounts or have a Notional Amount of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date) or (ii) issued outside France (*à l'étranger*), within the meaning of Article L.228-90 of the French Code de Commerce. In this case, Condition 9.4(b)(iii) below shall apply.

(i) Contractual representation of Holders/No *Masse*

If "Contractual representation of Holders/No *Masse*" is specified in the applicable Final Terms, the following meeting and voting provisions shall apply:

(A) General

Pursuant to Article L.213-6-3 I of the French *Code monétaire et financier*:

- (a) the Holders shall not be grouped in a *masse* having separate legal personality and acting in part through a representative of the holders (*représentant de la masse*) and in part through general meetings; however,
- (b) the following provisions of the French Code de commerce shall apply: Articles L.228-46-1, L.228-57, L.228-58, L.228-59, L.228-60, L.228-60-1, L.228-61 (with the exception of the first paragraph thereof), L.228-65 (with the exception of (i) sub-paragraphs 1°, 3°, 4° and 6° of paragraph I and (ii) paragraph II), L.228-66, L.228-67, L.228-68, L.228-76, L.228-88, R.228-65, R.228-66, R.228-67, R.228-68, R.228-70, R.228-71, R.228-72, R.228-73, R.228-74 and R.228-75 of the French Code de commerce, and
- (c) whenever the words "*de la masse*", "*d'une même masse*", "*par les représentants de la masse*", "*d'une masse*", "*et au représentant de la masse*", "*de la masse intéressée*", "*dont la masse est convoquée en assemblée*" or "*par un représentant de la masse*", appear in those provisions, they shall be deemed to be deleted, and subject to the following provisions of this Condition 9.4(b)(i).

(B) Resolution

Subject to this Condition 9.4(b)(i) and in accordance with the provisions of Article L.228-46-1 of the French *Code de commerce*, a resolution (the "**Resolution**") may be passed (x) at a General Meeting in accordance with the quorum and voting rules described in paragraph 9.4(b)(i)(F) below or (y) by a Written Resolution.

A Resolution may be passed with respect to any matter that relates to the common rights (*intérêts communs*) of the Holders.

A Resolution may be passed on any proposal relating to the modification of the Conditions including any proposal, (i) whether for a compromise or settlement, regarding rights which are the subject of litigation or in respect of which a judicial decision has been rendered, (ii) relating to a total or partial waiver of the guarantees granted to the holders or (iii) the amendment of any terms and provisions applicable to the French Law Securities.

For the avoidance of doubt, neither a General Meeting nor a Written Resolution has power, and consequently a Resolution may not be passed to decide on any proposal relating to:

- (a) the modification of the objects or form of the Issuer;
- (b) the issue of securities benefiting from a security over assets (*surêté réelle*) which will not benefit the holders of the French Law Securities;
- (c) the potential merger (*fusion*) or demerger (*scission*) including partial transfers of assets (*apports partiels d'actifs*) under the demerger regime of or by the Issuer; or
- (d) the transfer of the registered office of a European Company (*Societas Europaea – SE*) to a different Member State of the European Union.

However, each Holder is a creditor of the Issuer and as such enjoys, pursuant to Article L.213-6-3 IV of the French *Code monétaire et financier*, all the rights and prerogatives of individual creditors in the circumstances described under Condition 9.4(b)(i)(B)(c) and (d) above, including any right to object (*former opposition*).

Each Holder is entitled to bring a legal action against the Issuer for the defence of its own interests without the authorisation of the General Meeting.

The Holders may appoint a nominee to file a proof of claim in the name of all Holders in the event of judicial reorganisation procedure or judicial liquidation of the Issuer.

Pursuant to Article L.228-85 of the French *Code de commerce*, in the absence of such appointment of a nominee, the judicial representative (*mandataire judiciaire*), at its own initiative or at the request of any Holder will ask the court to appoint a representative of the Holders who will file the proof of Holders' claim.

(C) Convening of a General Meeting

A General Meeting may be held at any time, on convocation by the Issuer. One or more Holders, holding together at least one-thirtieth (by number) of the French Law Securities outstanding, may address to the Issuer a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Holders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, hour, place and agenda of any General Meeting will be published as provided under Condition 10, not less than fifteen days prior to the date of such General Meeting on first convocation and, five days on second convocation.

(D) Arrangements for Voting

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence or by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each French Law Security carries the right to one vote.



In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant account holder of the name of such Holder as of 0:00, Paris time, on the second Paris business day preceding the date set for the meeting of the relevant General Meeting.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 10.

(E) Chairman

The Holders present at a General Meeting shall choose one of them to be chairman (the "**Chairman**") by a simple majority of votes present or represented at such General Meeting (notwithstanding the absence of a quorum at the time of such vote). If the Holders fail to designate a Chairman, the Holder holding or representing the highest number of French Law Securities and present at such meeting shall be appointed Chairman, failing which the Issuer may appoint a Chairman. The Chairman appointed by the Issuer need not be a Holder. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting from which the adjournment took place.

(F) Quorum and Voting

General Meetings may deliberate validly on first convocation only if Holders present or represented hold at least one fifth (by number) of the French Law Securities then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Holders attending (including by videoconference or by any other means of telecommunication allowing the identification of participating Holders) such General Meetings or represented thereat.

(G) Written Resolution and Electronic Consent

(a) Pursuant to Article L.228-46-1 of the French *Code de commerce* the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of electronic communication ("**Electronic Consent**").

(b) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their French Law Securities until after the Written Resolution Date.

(H) Effect of Resolutions

A Resolution passed at a General Meeting or a Written Resolution (including by Electronic Consent), shall be binding on all Holders, whether or not present or represented at the General Meeting and whether or not, in the case of a Written Resolution (including by Electronic Consent), they have participated in such Written Resolution (including by Electronic Consent) and each of them shall be bound to give effect to the Resolution accordingly.

(ii) Full *Masse*

If the relevant Final Terms specify "Full *Masse*", the Holders will be grouped automatically for the defence of their common interests constituting a separate legal body called *masse* (the "**Masse**"), the *Masse* will be governed by the provisions of Articles L.228-46 *et seq* of the French *Code de commerce*, as completed by, and subject to the provisions below.

(A) Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative of the *Masse* (the "**Representative**") and in part through a general meeting of the Holders (a "**General Meeting**"). The provisions of the French *Code de commerce* relating to the *Masse* shall apply, as completed by, and subject to, the provisions of this Condition.

(B) Representative of the *Masse*

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the applicable Final Terms. The Representative appointed in respect of the first Tranche of any Series of French Law Securities will be the Representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the general meeting of the Holders.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the paying agents.

(C) General Meetings

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder as of 0:00, Paris time, on the second Paris Business Day preceding the date set for the meeting of the relevant General Meeting. For the purposes of these Terms and Conditions, the

expression "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for business in Paris.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published in accordance with Condition 10 not less than 15 days prior to the date of such General Meeting on first convocation, and five days on second convocation.

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce* by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each French Law Security carries the right to one vote.

(D) Written Resolution and Electronic Consent

- (a) Pursuant to Article L.228-46-1 of the French *Code de commerce* the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French *Code de commerce*, approval of a Written Resolution may also be given by way of Electronic Consent.
- (b) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the Written Resolution Date. Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their French Law Securities until after the Written Resolution Date.

(iii) Contractual *Masse*

If the relevant Final Terms specify "Contractual *Masse*", the following meeting and voting provisions shall apply:

The Holders will be grouped automatically for the defence of their common interests in a *masse* (the "**Masse**"). The *Masse* will be governed by the provisions Articles L.228-46 *et seq* of the French *Code de commerce*, with the exception of Articles L.228-48, L.228-65 sub-paragraphs 1°, 3°, 4° and 6° of I and II, L.228-71, R.228-63 and R.228-69, and further subject to the following provisions:

(A) Legal Personality

The *Masse* will be a separate legal entity and will act in part through a representative (the "**Representative**") and in part through a general meeting of the Holders (the "**General Meeting**").

(B) Representative

Pursuant to Article L.228-51 of the French *Code de commerce*, the names and addresses of the initial Representative of the *Masse* and its alternate will be set out in the relevant Final Terms. The Representative appointed in respect of the first tranche of any Series of French Law Securities will be the representative of the single *Masse* of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Final Terms.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, a further alternate will be elected by the General Meeting of the Holders.

All interested parties will at all times have the right to obtain the names and addresses of the initial Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the paying agents.

(C) General Meeting

In accordance with Article R.228-71 of the French *Code de commerce*, the right of each Holder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Holder as of 0:00, Paris time, on the second Paris business day preceding the date set for the meeting of the relevant General Meeting.

In accordance with Articles L.228-59 and R.228-67 of the French *Code de commerce*, notice of date, hour, place and agenda of any General Meeting will be published as provided under Condition 10 not less than fifteen days prior to the date of such General Meeting on first convocation, and five days on second convocation.

Each Holder has the right to participate in a General Meeting in person, by proxy, by correspondence and, in accordance with Article L.228-61 of the French *Code de commerce* by videoconference or by any other means of telecommunication allowing the identification of participating Holders.

Each French Law Security carries the right to one vote.

(D) Chairman

The Holders present at a General Meeting shall choose one of them to be chairman (the "**Chairman**") by a simple majority of votes present or represented at such General Meeting (notwithstanding the absence of a quorum at the time of such vote). If the Holders fail to designate a Chairman, the Holder holding or representing the highest number of French Law Securities and present at such meeting shall be appointed Chairman, failing which the Issuer may appoint a Chairman. The Chairman appointed by the Issuer need not be a Holder. The Chairman of an adjourned meeting need not be the same person as the Chairman of the original meeting from which the adjournment took place.

(E) Quorum and Voting

General Meetings may deliberate validly on first convocation only if Holders present or represented hold at least one fifth (by number) of the French Law Securities then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Holders attending (including by videoconference or by any other means of telecommunication allowing the identification of participating Holders) such General Meetings or represented thereat.

(F) Written Resolution and Electronic Consent

(a) Pursuant to Article L.228-46-1 of the French Code de commerce the Issuer shall be entitled, in lieu of convening a General Meeting, to seek approval of a resolution from the Holders by way of a Written Resolution. Subject to the following sentence, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Pursuant to Article L.228-46-1 of the French Code de commerce, approval of a Written Resolution may also be given by way of Electronic Consent.

(b) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the Written Resolution Date. Notices seeking the approval of a Written Resolution will contain the conditions of form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their French Law Securities until after the Written Resolution Date.

- (iv) Meetings of Holders for French Law Securities that do not constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*.

In relation to French Law Securities that do not constitute obligations, the following voting provisions shall apply:

(A) General

The Holders shall not be grouped in a masse having separate legal personality and acting in part through a representative of the holders (*représentant de la masse*) and in part through general meetings.

(B) Resolution

Subject to this Condition 9.4(b)(iv), a resolution (the "**Resolution**") may be passed by a Written Resolution by the consent of one or more Holders holding together at least 66<sup>2/3</sup> per cent. (by number) of the French Law Securities then outstanding.

A Resolution may be passed with respect to any matter that relates to the common rights (*intérêts communs*) of the Holders.

A Resolution may be passed on any proposal relating to the modification of the Conditions including any proposal, (i) whether for a compromise or settlement, regarding rights which are the subject of litigation or in respect of which a judicial decision has been rendered, (ii) relating to a total or partial waiver of the guarantees granted to the holders, or (iii) the amendment of any terms and provisions applicable to the French Law Securities.

A Written Resolution is not sufficient, and consequently a Resolution may not be passed to decide on any proposal relating to:

- (a) the modification of the objects or form of the Issuer;
- (b) the issue of securities benefiting from a security over assets (*surété réelle*) which will not benefit the holders of the French Law Securities;
- (c) the potential merger (*fusion*) or demerger (*scission*) including partial transfers of assets (*apports partiels d'actifs*) under the demerger regime of or by the Issuer; or
- (d) the transfer of the registered office of a European Company (*Societas Europaea* – SE) to a different Member State of the European Union.

However, each Holder is entitled to bring a legal action against the Issuer for the defence of its own interests without a Written Resolution.

The Holders may appoint a nominee to file a proof of claim in the name of all Holders in the event of judicial reorganisation procedure or judicial liquidation of the Issuer.

In the absence of a nominee being appointed, the judicial representative (*mandataire judiciaire*), at its own initiative or at the request of any Holder, will ask the court to appoint a representative of the Holders who will file the proof of Holders' claim.

(C) Written Resolution and Electronic Consent

- (a) The Issuer shall be entitled to seek approval of a resolution from the Holders by way of a Written Resolution. Notwithstanding that a Written Resolution may be approved electronically, a Written Resolution may be contained in one document or in several documents in like form, each signed by or on behalf of one or more of the Holders. Approval of a Written Resolution may also be given by way of electronic communication ("**Electronic Consent**").
- (b) Notice seeking the approval of a Written Resolution (including by way of Electronic Consent) will be published as provided under Condition 10 not less than five days prior to the date fixed for the passing of such Written Resolution (the "**Written Resolution Date**"). Notices seeking the approval of a Written Resolution will contain the conditions of the form and time-limits to be complied with by the Holders who wish to express their approval or rejection of such proposed Written Resolution. Holders expressing their approval or rejection before the Written Resolution Date will undertake not to dispose of their French Law Securities until after the Written Resolution Date.

(D) Effect of Resolutions

A Resolution passed by way of a Written Resolution (including by Electronic Consent) shall be binding on all Holders, whether or not they have participated in such Written Resolution (including by Electronic Consent), and each of them shall be bound to give effect to the Resolution accordingly.

(v) Information to Holders

Each Holder will have the right, during (i) the 15-day period preceding the holding of the relevant General Meeting on the first convocation, (ii) the 5-day period preceding the holding of the relevant General Meeting on the second convocation or (iii) in the case of a Written Resolution, a period of not less than five days preceding the Written Resolution Date, as the case may be, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be prepared in connection with such resolution, all of which will be available for inspection by the relevant Holders at the registered office of the Issuer, at the specified offices of any of the Security Agents during usual business hours and at any other place specified in the notice of the General Meeting or the Written Resolution.

Decisions of General Meetings and Written Resolutions, once approved, will be published in accordance with Condition 10.

(vi) Expenses

If "Contractual representation of Holders/No *Masse*" or "Contractual *Masse*" is specified in the applicable Final Terms, or in the case of French Law Securities that do not constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*, the Issuer will pay all expenses relating to the operation of the *Masse* and expenses relating to the calling and holding of General Meetings and seeking the approval of a Written Resolution, and, more generally, all administrative expenses resolved upon by the General Meeting or in writing through Written Resolution by the Holders, it being expressly stipulated that no expenses may be imputed against interest payable under the French Law Securities.

If "Full *Masse*" is specified in the applicable Final Terms, Article L. 228-71 of the French *Code de commerce* shall apply.

(vii) Outstanding French Law Securities

"**outstanding**" means, in relation to the French Law Securities of any Series, all the French Law Securities issued other than:

- (a) those French Law Securities which have been redeemed and cancelled pursuant to the Conditions;
- (b) those French Law Securities in respect of which the date for redemption in accordance with the Conditions has occurred and the redemption moneys (including all interest (if any) accrued to the date for redemption and interest (if any) payable under the Conditions after that date) have been duly paid to or to the order of the Principal Security Agent;
- (c) those French Law Securities which have been purchased and cancelled in accordance with the Conditions;

- (d) those French Law Securities in respect of which claims have become prescribed under the Conditions;

provided that, for the purpose of attending and voting at any meeting of the Holders of the Series, those French Law Securities (if any) which are for the time being held by or for the benefit of the Issuer or any of its subsidiaries shall (unless and until ceasing to be so held) be deemed not to remain outstanding.

For the avoidance of doubt, in this Condition 9.4(b), the term "outstanding" (as defined above) shall not include those French Law Securities purchased by the Issuer in accordance with Article L.213-0-1 of the French *Code monétaire et financier* that are held by it and not cancelled.

- (viii) Sole Holder

Where the relevant Final Terms specify "Full *Masse*" or "Contractual *Masse*", or in the case of French Law Securities that do not constitute *obligations* within the meaning of Article L.213-5 of the French *Code monétaire et financier*, if and for so long as the Securities of a given Series are held by a single Holder, the relevant Holder will exercise directly the powers delegated to the Representative and General Meetings of Holders under the Conditions. For the avoidance of doubt, if a Representative has been appointed while the French Law Securities of a given Series are held by a single Holder, such Representative shall be devoid of powers. A Representative shall only be appointed if the Securities of a Series are held by more than one Holder.

## 9.5 Modifications

- (a) English Law Securities

In the case of English Law Securities only, the Issuer may modify these Terms and Conditions and/or the Agency Agreement without the consent of the Holders (but in the case of Swedish Dematerialised Securities, with the consent of Euroclear Sweden and in the case of Finnish Dematerialised Securities, with the consent of Euroclear Finland) in any manner which the Issuer may deem necessary or desirable provided that such modification is not materially prejudicial to the interests of the Holders or such modification is of a formal, minor or technical nature or to cure, correct or supplement a manifest or proven error or to cure, correct or supplement any defective provision contained herein and/or therein or to comply with mandatory provisions of the law of the jurisdiction in which the Issuer is incorporated. Notice of any such modification will be given to the Holders in accordance with Condition 10 but failure to give, or non-receipt of, such notice will not affect the validity of any such modification.

- (b) French Law Securities

In the case of French Law Securities which can be traded in amounts of at least EUR 100,000 (or its equivalent in the relevant currency as of the Issue Date), the Issuer may modify these Terms and Conditions without the consent of the Holders to correct a manifest error.

## 10. NOTICES

All notices to Holders shall be valid if:



- (a)
  - (i) in the case of Clearing System Securities (other than Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC), Registered Certificates represented by a Registered Global Certificate and Italian Dematerialised Securities, delivered to the relevant Clearing System (in the case of English Law Securities or Dutch Law Warrants), or to the relevant Account Holder (in the case of French Law Securities) for communication by them to the Holders;
  - (ii) in the case of Euroclear France Securities, delivered to the relevant Account Holders for communication by them to the Holders and where such Securities are listed on Euronext Paris, published by Euronext Paris and in the case of OET Certificates, published on the "Certificate" website of the Issuer ("www.produitsdebourse.bnpparibas.fr") or such other website of the Issuer as may be notified to Holders;
  - (iii) in the case of Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC, to DTC for communication by it to the Holders and any such notices shall be conclusively presumed to have been received by the Holders;
  - (iv) in the case of Clearing System Securities which are Italian Securities, published on the "Certificate" website of the Issuer ("www.produitsde bourse.bnpparibas.fr") or other website of the Issuer as may be notified to Holders;
  - (v) in the case of Securities represented by Private Placement Definitive Securities, mailed to their registered addresses appearing in the Private Placement Register;
  - (vi) in the case of Registered Warrants or Registered Certificates in definitive form, mailed to their registered addresses appearing in the Register;
  - (vii) in the case of Swedish Dematerialised Securities, mailed by Euroclear Sweden in accordance with the SFIA Act and the Euroclear Sweden rules;
  - (viii) in the case of Finnish Dematerialised Securities, mailed to a Holder on the address registered for such Holder in the Euroclear Finland Register maintained by Euroclear Finland in accordance with the rules of Euroclear Finland;
  - (ix) in the case of Swiss Securities that are specified as FinSA Securities in the applicable Final Terms and listed on the SIX Swiss Exchange, published on the internet and shall be valid on the day of publication. Any such notices relating to Securities issued by either BNPP or BNPP B.V., BNPP (with respect to the Securities) and/or the BNPP B.V. (with respect to the Securities), shall be published on the website <http://www.eqdpo.bnpparibas.com/> or any successor webpage thereto as may be notified to Holders; and
- (b) for so long as the Securities are listed on a stock exchange or are admitted to trading by another relevant authority, in accordance with the rules and regulations of the relevant stock exchange or other relevant authority If the Securities are listed and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange or the Official List of the Luxembourg Stock Exchange, and so long as the rules of the Luxembourg Stock Exchange so require, notices shall be made available on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)). Any such notice shall be deemed to have been given on the second Business Day following such

delivery or, if earlier, the date of such publication or, if published more than once, on the date of the first such publication.

- (c) Notices relating to convocation and decision(s) pursuant to Condition 9.4(b) and pursuant to Articles R.228-79 and R.236-11 of the French *Code de commerce* shall be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the French Law Securities are for the time being cleared. For the avoidance of doubt, Conditions 10(a) and (b) shall not apply to such notices.

## 11. EXPENSES AND TAXATION

- 11.1 A Holder must 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 from the exercise and settlement (in the case of Warrants or Exercisable Certificates) or redemption (in the case of Certificates) of the Securities and/or the delivery or transfer of the Entitlement (as applicable) pursuant to the terms of such Securities ("**Security Expenses**") relating to such Securities as provided above.
- 11.2 The Issuer shall deduct from amounts payable or from assets deliverable to Holders all Related Expenses, not previously deducted from amounts paid or assets delivered to Holders, as the Calculation Agent shall in its sole and absolute discretion determine are attributable to the Securities.

For the avoidance of doubt, the Issuer shall not be liable for any Related Expenses and Holders shall be liable to pay the Related Expenses attributable to their Securities.

"**Expenses**" means Security Expenses and any Related Expenses.

"**Related Expenses**" means (a) all present, future, prospective, contingent or anticipated Taxes which are (or may be) or were (or may have been) withheld or payable under the laws, regulations or administrative practices of any state (or any political sub-division or authority thereof or therein) and (b) any other present, future, or contingent expenses (including without limitation, any applicable depository charges, transaction charges, issue registration, securities transfer or other expenses) which are (or may be) or were (or may have been) payable, in each case in respect of or in connection with:

- (a) the issue, transfer or enforcement of the Securities;
- (b) any payment (or delivery of assets) to Holders;
- (c) a person or its agent's assets or any rights, distributions of dividends appertaining to such assets (had such an investor (or agent) purchased, owned, held, realised, sold or otherwise disposed of assets) in such a number as the Calculation Agent, in its sole and absolute discretion, may determine to be appropriate as a hedge or related trading position in connection with the Securities; or
- (d) any of the Issuer's (or any Affiliates') other hedging arrangements in connection with the Securities.

"**Taxes**" means taxes, levies, imposts, duties, deductions, withholdings, assessments or other charges (including any stamp, registration or transfer tax, duty or other charge or tax on income, payments (or delivery of assets), profits, capital gains or, for the avoidance of doubt, any withholding or deduction required pursuant to (i) an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any

regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto and (ii) any withholding or deduction required pursuant to Section 871(m) of the Code) together with any interest, additions to tax or penalties.

In addition, and if the Securities are specified to be Specified Securities (as set forth in the applicable Final Terms) for the purposes of section 871(m) of the Code, in determining the amount of withholding or deduction required pursuant to Section 871(m) of the Code imposed with respect to any amounts to be paid on the Securities, the Issuer shall be entitled to withhold on any "dividend equivalent" payment (as defined for purposes of Section 871(m) of the Code) at a rate of 30 per cent.

Payments on the Securities that reference U.S. securities or an index that includes U.S. securities may be calculated by reference to the net dividends payable on such U.S. securities or net total returns of the U.S. components of such index. In calculating the relevant payment amount, the Issuer may withhold and the holder will be deemed to have received 30 per cent. of any "dividend equivalent" payments (as defined in Section 871(m) of the Code) in respect of the relevant U.S. securities or U.S. dividend paying index components, as the case may be. The Issuer will not pay any additional amounts to the holder on account of the Section 871(m) amount deemed withheld.

- 11.3 If PRC Tax is specified as applicable in the applicable Final Terms, the Issuer shall withhold or deduct from any amounts payable or from assets deliverable to a Holder of Securities such Securities' *pro rata* share of any applicable PRC Tax not previously deducted from amounts to be paid or assets to be delivered to the Holders, as the Calculation Agent shall in its sole and absolute discretion, determine are attributable to the Securities.

Where:

"**PRC Tax**" means either:

- (a) such amount of taxes, duties and/or other expenses deducted or withheld at source by or on behalf of the PRC Tax Authority in respect of the Securities and notified from time to time to the Holders in accordance with Condition 10; or, if none
- (b) the PRC Tax Rate incurred by, imposed on or assessed to, the Issuer and/or its Affiliates in connection with the Securities or the hedging arrangements of the Issuer and/or its Affiliates in relation to the Securities, as determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner; and

"**PRC Tax Rate**" means any retrospective, present or future tax, levy, duty, assessment, penalty, late payment surcharge or other charge of any nature (including, but not limited to capital gain, corporate income tax, business tax, dividend tax, interest tax, value added tax, stamp duty, payable or in connection therewith) imposed, levied or withheld, directly or indirectly, by a PRC Tax Authority.

## 12. FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further Securities so as to be consolidated with and form a single series with the outstanding Securities, provided that, in the case of U.S. Securities, if (i) such further Securities are treated as debt for U.S. federal income tax purposes, (ii) either the original Securities or such further Securities are issued in compliance with Rule 144A and (iii) such further Securities are not (1) issued pursuant to a "qualified reopening" of the original series, (2) treated as part of the same "issue" of debt instruments as the original series or (3) issued with less than a *de minimis* amount of original discount, in each case for U.S. federal income tax purposes, such further Securities will have a separate ISIN or other identifier.

### 13. SUBSTITUTION OF THE ISSUER OR THE GUARANTOR

- 13.1 Except in the case of U.S. Securities, the Issuer, or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as principal obligor under the Securities any company (the "**Substitute**"), being the Issuer or any other company, subject to:
- (a) where the Substitute is not BNPP, BNPP unconditionally and irrevocably guaranteeing in favour of each Holder the performance of all obligations by the Substitute under the Securities;
  - (b) all actions, conditions and things required to be taken, fulfilled and done to ensure that the Securities represent legal, valid and binding obligations of the Substitute having been taken, fulfilled and done and being in full force and effect;
  - (c) the Substitute becoming party to the Agency Agreement (unless the Substitute is already a party to the Agency Agreement) with any appropriate consequential amendments, as if it had been an original party to it;
  - (d) each stock exchange on which the Securities are listed having confirmed that, following the proposed substitution of the Substitute, the Securities will continue to be listed on such stock exchange and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised Securities, Euroclear Finland, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
  - (e) if applicable, the Substitute having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities; and
  - (f) the Issuer having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.
- 13.2 Where the Issuer is BNPP B.V., BNPP or any previous substituted company may, at any time, without the consent of the Holders, substitute for itself as guarantor in respect of the Securities any company (the "**Substitute Guarantor**"), being BNPP or any other company, subject to:
- (a) the creditworthiness of the Substitute Guarantor at such time being at least equal to the creditworthiness of BNPP (or of any previous substitute under this Condition), as determined by the Calculation Agent in its sole and absolute discretion by reference to, inter alia, the long term senior debt ratings (if any) assigned by S&P Global Ratings Europe Limited, a division of The McGraw-Hill Companies, Inc. and/or Moody's Investors Service Ltd. and/or Fitch Ratings Ireland Limited, or any successor rating agency or agencies thereto, to the Substitute Guarantor or, as the case may be, to BNPP (or to any previous substitute under this Condition);
  - (b) the Substitute Guarantor having entered into a guarantee (the "**Substitute Guarantee**") in respect of the Securities in substantially the same form as the Guarantee and such other documents (if any) as may be necessary to give full effect to the substitution (the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute Guarantor shall undertake in favour of each Holder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as fully as if the Substitute Guarantor had been named in these Terms and Conditions, the Documents and the Agency Agreement as the guarantor in respect of the Securities in place of BNPP (or of any previous substitute under this Condition);

- (c) the Substitute Guarantee and the Documents having been delivered to BNP Paribas, Succursale de Luxembourg to be held by BNP Paribas, Succursale de Luxembourg for so long as any Securities remain, in the case of Warrants, unexercised or, in the case of Certificates, outstanding and for so long as any claim made against the Substitute Guarantor or the Issuer by any Holder in relation to the Securities, the Substitute Guarantee or the Documents shall not have been finally adjudicated, settled or discharged;
- (d) each stock exchange on which the Securities are listed having confirmed that following the proposed substitution of the Substitute Guarantor (or of any previous substitute under this Condition) it will continue to list the Securities and in the case of Swedish Dematerialised Securities, Euroclear Sweden, or in the case of Finnish Dematerialised Securities, Euroclear Finland, has consented to such substitution (such consent not to be unreasonably withheld or delayed);
- (e) if applicable, the Substitute Guarantor having appointed a process agent as its agent in England (in the case of English Law Securities) or France (in the case of French Law Securities) to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Securities or the Substitute Guarantee; and
- (f) BNPP (or any previous substitute under this Condition) having given at least 30 days' prior notice of the date of such substitution to the Holders in accordance with Condition 10.

## 14. GOVERNING LAW

### 14.1 English Law Securities

- (a) The English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement and the English Law Guarantee and any non-contractual obligations arising out of or in connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities), the English Law Agency Agreement and the English Law Guarantee are governed by, and shall be construed in accordance with, English law. Notwithstanding this,
  - (i) with respect to Finnish Dematerialised Securities, the registration and transfer of the Finnish Dematerialised Securities in Euroclear Finland's system for the registration of financial instruments shall be governed by, and shall be construed in accordance with, Finnish law and
  - (ii) with respect to Italian Dematerialised Securities, the registration and transfer of the Italian Dematerialised Securities in Monte Titoli shall be governed by, and shall be construed in accordance with, Italian law.
- (b) The courts of England in London shall have exclusive jurisdiction to settle any dispute arising out of, relating to or having any connection with the English Law Securities (including Swedish Dematerialised Securities, Italian Dematerialised Securities, Swiss Securities and Finnish Dematerialised Securities) and the English Law Guarantee, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the English Law Securities and the English Law Guarantee (a "**Dispute**") and each of the Issuers and the Guarantor submits and each Holder (by its acquisition of a Security) is deemed to submit to the exclusive jurisdiction of the English courts in London.

- (c) For the purposes of this Condition 14.1, each of the Issuer and the Guarantor waives and each Holder (by its acquisition of a Security) is deemed to waive any objection to the English courts in London on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.
- (d) Each of the Issuers and the Guarantor hereby irrevocably appoints BNP Paribas, London branch at its registered office at 10 Harewood Avenue, London NW1 6AA, as its or their agent in England to receive service of process in any proceedings before the English courts in London in relation to any Dispute. If for any reason such process agent is unable or unwilling so to act, each of the Issuer and the Guarantor agrees to immediately appoint a substitute process agent and to notify the Holders of English Law Securities of such appointment. Each of the Issuers and the Guarantor agree that failure by a process agent to notify it of any process will not invalidate service. Nothing in these provisions shall affect the right to serve process in any other manner permitted by law.

#### 14.2 French Law Securities

The French Law Securities, the French Law Agency Agreement and the French Law Guarantee are governed by, and construed in accordance with, French law, and any action or proceeding in relation thereto ("**Proceedings**") shall be submitted to the jurisdiction of the competent courts in Paris within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*). To the extent allowed by law, each of the Holders, the Issuer and the Guarantor shall have the right to take Proceedings in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions. BNPP B.V. elects domicile at the registered office of BNP Paribas currently located at 16 boulevard des Italiens, 75009 Paris.

#### 14.3 Waiver of trial by jury

WITHOUT PREJUDICE TO CONDITION 14.1(B), THE ISSUER WAIVES ANY RIGHT IT MAY HAVE TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION IN CONNECTION WITH THE ENGLISH LAW SECURITIES, THE ENGLISH LAW AGENCY AGREEMENT AND THE ENGLISH LAW GUARANTEE. THESE CONDITIONS MAY BE FILED AS A WRITTEN CONSENT TO A BENCH TRIAL.

#### 14.4 Dutch Law Warrants

- (a) The Dutch Law Warrants and the Dutch Law Agency Agreement and any non-contractual obligations arising out of or in connection with the Dutch Law Warrants and the Dutch Law Agency Agreement are governed by, and shall be construed in accordance with, the laws of the Netherlands.
- (b) The courts of Amsterdam, the Netherlands shall have exclusive jurisdiction to settle any dispute arising out of, relating to or having any connection with the Dutch Law Warrants and the Dutch Law Agency Agreement, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Dutch Law Warrants and the Dutch Law Agency Agreement (a "**Dispute**") and each of the Issuer and the Guarantor submits and each Holder (by its acquisition of a Security) is deemed to submit to the exclusive jurisdiction of the courts of Amsterdam, the Netherlands.

- (c) For the purposes of this Condition 14.4, each of the Issuer and the Guarantor waives and each Holder (by its acquisition of a Security) is deemed to waive any objection to the courts of Amsterdam, the Netherlands on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

## **15. ADDITIONAL DISRUPTION EVENTS AND OPTIONAL ADDITIONAL DISRUPTION EVENTS**

Unless otherwise specified in the applicable Final Terms, the Additional Disruption Events and any Optional Additional Disruption Events shall not apply to any U.S. Securities.

- 15.1 In respect of Debt Securities any reference in this Condition 15 to "Share" and "Share Company" shall be deemed to be references to "Debt Instruments" and "Debt Instrument Issuer" respectively in respect of such Debt Securities.

**"Additional Disruption Event"** means each of Change in Law and Hedging Disruption, unless specified otherwise in the applicable Final Terms;

**"Administrator/Benchmark Event"** means the Calculation Agent determines that:

- (i) a Benchmark Modification or Cessation Event has occurred or will occur;
- (ii) any authorisation, registration, recognition, endorsement, equivalence decision, approval or inclusion in any official register in respect of a relevant Benchmark or the administrator or sponsor of a relevant Benchmark has not been, or will not be, obtained or has been, or will be, rejected, refused, suspended or withdrawn by the relevant competent authority or other relevant official body, in each case with the effect that the Issuer or the Calculation Agent or any other entity is not, or will not be, permitted under any applicable law or regulation to use the relevant Benchmark to perform its or their respective obligations under the Securities; or
- (iii) it is not commercially reasonable to continue the use of a relevant Benchmark in connection with the Securities from the perspective of the Issuer or the Calculation Agent or the Issuer or the Calculation Agent suffers or will suffer an increased cost, in each case, as a result of any applicable licensing restrictions or changes in the cost of obtaining or maintaining any relevant licence (including, without limitation, where the Issuer, the Calculation Agent or any other entity is required to hold a valid licence in order to issue or perform its obligations in respect of the Securities and for any reason such licence is either not obtained, not renewed or is revoked or there is a material change in the cost of obtaining or renewing such licence);

**"Benchmark"** means any figure, value, level or rate which is a benchmark as defined in BMR and where any amount payable or deliverable under the Securities, or the value of the Securities, is determined in whole or in part, by reference to such figure, value, level or rate, all as determined by the Calculation Agent;

**"Benchmark Modification or Cessation Event"** means, in respect of the Benchmark any of the following has occurred or will occur:

- (i) any material change in such Benchmark; or
- (ii) the permanent or indefinite cancellation or cessation in the provision of such Benchmark;

**"BMR"** means the EU Benchmark Regulation (Regulation (EU) 2016/1011), as amended;

**"Cancellation Event"** means, that in the determination of the Calculation Agent, all or some of the Debt Instruments are redeemed prior to their stated maturity date for any reason, and as a result thereof it is impossible, impracticable or unduly onerous for the Issuer or its Affiliates to hedge the Issuer's obligations in respect of the Securities;

**"Change in Law"** means that, on or after the Trade Date (a) due to the adoption of or any change in any applicable law or regulation (including, without limitation, in respect of any tax law, solvency or capital requirements), or (b) due to the promulgation of or any change in the interpretation or application of any law or regulation by any court, tribunal or regulatory or other supervisory authority with competent jurisdiction (including any action taken by a taxing or financial authority or any supervisory authority) or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

- (a) it has become illegal for it or any of its Affiliates to hold, acquire or dispose of any relevant hedge position relating to an Index (in the case of Index Securities), any relevant hedge position relating to a Share (in the case of Share Securities), any relevant hedge position relating to an ETI Interest (in the case of ETI Securities), any relevant hedge position relating to a Commodity or Commodity Index (in the case of Commodity Securities) or any relevant hedge position relating to a Fund Share (in the case of Fund Securities) (each a **"Hedge"**); or
- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Securities in issue or in holding, acquiring or disposing of any Hedge;

**"Currency Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates or any Qualified Investor (a) to convert the relevant currency (**"Local Currency"**) in which the Index, the Shares or the Debt Instruments or any options or futures contracts or other hedging arrangement in relation to the Index, the Shares or the Debt Instruments (for the purposes of hedging the Issuer's obligations under the Securities) are denominated, into the Settlement Currency, or exchange or repatriate any funds in the Local Currency or the Settlement Currency outside of the country in which the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments respectively are traded due to the adoption of, or any change in, any applicable law, rule, regulation, judgment, order, directive or decree of any Government Authority or otherwise, or (b) for the Calculation Agent to determine a rate or (in the determination of the Calculation Agent) a commercially reasonable rate at which the Local Currency can be exchanged for the Settlement Currency for payment under the Securities;

**"Failure to Deliver due to Illiquidity"** means, following the exercise of Physical Delivery Securities, in the opinion of the Calculation Agent, it is impossible or impracticable to deliver, when due, some or all of the Relevant Assets (the **"Affected Relevant Assets"**) comprising the Entitlement, where such failure to deliver is due to illiquidity in the market for the Relevant Assets;

**"Force Majeure Event"** means that, on or after the Trade Date, the performance of the Issuer's obligations under the Securities is prevented or materially hindered or delayed due to:

- (a) any act (other than a Market Disruption Event), law, rule, regulation, judgment, order, directive, interpretation, decree or material legislative or administrative interference of any Government Authority or otherwise; or
- (b) the occurrence of civil war, disruption, military action, unrest, political insurrection, terrorist activity of any kind, riot, public demonstration and/or protest, or any other financial or economic reasons or any other causes or impediments beyond such party's control; or



- (c) any expropriation, confiscation, requisition, nationalisation or other action taken or threatened by any Government Authority that deprives the Issuer or any of its Affiliates or any Qualified Investor, of all or substantially all of its assets in the Local Currency jurisdiction;

**"Government Authority"** means any nation, state or government, any province or other political subdivision thereof, any body, agency or ministry, any taxing, monetary, foreign exchange or other authority, court, tribunal or other instrumentality and any other entity exercising, executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Hedging Disruption"** means that the Issuer and/or any of its Affiliates (each a **"Hedging Party"**) is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to hedge the equity price risk or any other relevant price risk including but not limited to the currency risk of the Issuer issuing and performing its obligations with respect to the Securities, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s), asset(s) or futures or options contract(s) or any relevant hedge positions relating to the Securities. Where PRC Disruption is specified as applicable in the applicable Final Terms:

- (a) a Hedging Disruption shall include (without limitation) any inability by the Hedging Party as a result of compliance with any foreign ownership restrictions imposed by, in the case of Share Securities linked to a single Share, the Share Company, in the case of Share Securities linked to a Basket of Shares, the Basket Company, in the case of Index Securities, the issuer of any share that is a Component Security of the relevant Index, any exchange or any court, tribunal, government or regulatory authority in the PRC or Hong Kong; and
- (b) the phrase "using commercially reasonable efforts" referred to above does not include the use of any quota granted to such Hedging Party under the Qualified Foreign Institutional Investor ("QFII") or Renminbi Qualified Foreign Institutional Investor ("RQFII") schemes;

**"Hedging Shares"** means the number of components comprised in an Index (in the case of Index Securities) or the number of Shares (in the case of Share Securities) that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

**"Increased Cost of Hedging"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract on any Commodity or, in the case of a Commodity Index, Index Component (in the case of Commodity Securities) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest risk) of the Issuer issuing and performing its obligations with respect to the Securities, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s) or any such futures or options contract(s) or, in respect of any Index Securities relating to a Custom Index, any relevant hedge positions relating to an Index, provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Hedging;

**"Increased Cost of Stock Borrow"** means that the Issuer and/or any of its Affiliates would incur a rate to borrow any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) that is greater than the Initial Stock Loan Rate;

**"Initial Stock Loan Rate"** means, in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the initial stock loan rate specified in relation to such Share, security, component or commodity in the applicable Final Terms;

**"Insolvency Filing"** means that a Share Company or Basket Company institutes or has instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition, provided that proceedings instituted or petitions presented by creditors and not consented to by the Share Company or Basket Company shall not be deemed an Insolvency Filing;

**"Jurisdiction Event"** means that, on or after the Trade Date, it has become impracticable, illegal or impossible for the Issuer or any of its Affiliates or a Qualified Investor to purchase, sell, hold or otherwise deal (or to continue to do so in the future) in the Index, the Shares or the Debt Instruments or any options or futures contracts in relation to the Index, the Shares or the Debt Instruments in order for the Issuer to perform its obligations under the Securities or in respect of any relevant hedging arrangements in connection with the Securities (including, without limitation, any purchase, sale or entry into or holding of one or more securities positions, currency positions, stock loan transactions, derivatives position, commodity position or other instruments or arrangements (however described) by the Issuer and/or any of its Affiliates in order to hedge, either individually or on a portfolio basis, the Securities) or the costs of so doing would (in the sole and absolute determination of the Calculation Agent) be materially increased under the restriction or limitation of the existing or future law, rule, regulation, judgment, order, interpretation, directive or decree of any Government Authority or otherwise;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any component security comprised in an Index (in the case of Index Securities) or any Share (in the case of Share Securities) in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of a component security comprised in an Index (in the case of Index Securities) or a Share (in the case of Share Securities), the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Optional Additional Disruption Event"** means any of Administrator/Benchmark Event, Cancellation Event, Currency Event, Failure to Deliver due to Illiquidity, Force Majeure Event, Increased Cost of Hedging, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;

**"Stop-Loss Event"** means, in respect of a Share, the price of any Share as quoted on the relevant Exchange for such Share at the Scheduled Closing Time on any Scheduled Trading Day that is not a Disrupted Day in respect of such Share on or after the Trade Date or, if later, the Strike Date, is less than 5 per cent., or such percentage specified in the applicable Final Terms, of its Strike Price or, if no Strike Price is specified in the applicable Final Terms, the price given as the benchmark price for such Share in the applicable Final Terms, all as determined by the Calculation Agent;

- 15.2 If Additional Disruption Events are specified as applicable in the applicable Final Terms and an Additional Disruption Event and/or an Optional Additional Disruption Event occurs (other than in respect of Failure to Deliver due to Illiquidity), the Issuer in its sole and absolute discretion may take the action described in paragraph (a) or, if applicable, (b), (c), (d) or (e), as the case may be, below:

- (a) require the Calculation Agent to determine in its sole and absolute discretion 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 (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and/or Optional Additional Disruption Event and determine the effective date of that adjustment. In the case of an Administrator/Benchmark Event, such adjustment may (a) consist of one or more amendments and/or be made on one or more dates, (b) be determined by reference to any adjustment(s) in respect of the relevant event or circumstance in relation to any hedging arrangements in respect of the Securities and (c) include, without limitation, selecting a successor benchmark(s) and making related adjustments to the Terms and Conditions including, where applicable to reflect any increased costs of the Issuer providing such exposure to the successor benchmark(s) and, in the case of more than one successor benchmark, making provision for allocation of exposure as between the successor benchmarks;
- (b) in the case of Warrants, cancel the Warrants by giving notice to Holders in accordance with Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him which amount shall be equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the relevant Final Terms) plus, if applicable and 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 Holders in accordance with Condition 10;
- (c) in the case of Certificates,
  - (i) unless Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified in the applicable Final Terms, on giving notice to Holders in accordance with Condition 10, redeem all but not some only of the Certificates, each Certificate being redeemed by payment of an amount equal to the fair market value of a Certificate taking into account the Additional Disruption Event and/or Optional Additional Disruption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (unless provided for otherwise in the relevant Final Terms), 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 Holders in accordance with Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Additional Disruption Event and/or Optional Additional Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the Additional Disruption Event and/or Optional Additional Disruption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Additional Disruption Amount**") as soon as practicable following the occurrence of the Additional Disruption Event and/or Optional Additional Disruption Event (the "**Calculated Additional Disruption Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Additional Disruption Amount plus interest accrued from and

including the Calculated Additional Disruption Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount; or

- (d) in the case of Index Securities linked to a Custom Index, the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar formula for and method of calculation as the Custom Index within twenty (20) Scheduled Custom Index Business Days of the occurrence of the relevant Additional Disruption Event or Optional Additional Disruption Event and, upon selection of such successor index (the "**Successor Index**"), the Calculation Agent shall promptly notify the Issuer and the Issuer will give notice to the Holders in accordance with Condition 10 and such index shall become the Successor Index and deemed to be a "Custom Index" for the purposes of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the substitution. Such substitution and any relevant adjustment to the Terms and Conditions and/or the applicable Final Terms will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion which may, but need not be the date on which the relevant Additional Disruption Event or Optional Additional Disruption Event occurred; or
- (e) in the case of Share Securities linked to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each a "**Substitute Share**") for each Share (each an "**Affected Share**") which is affected by the Additional Disruption Event and/or Optional Additional Disruption Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

"A" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"B" is the Initial Price of the relevant Affected Share; and

"C" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not,

be the relevant date of the Additional Disruption Event and/or Optional Additional Disruption Event.

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

In order to be selected as a Substitute Share, the relevant share must be a share which, in the sole and absolute discretion of the Calculation Agent:

- (i) is not already included in the Basket of Shares;
- (ii) the relevant issuer of such share belongs to the same economic sector as the Basket Company in respect of the Affected Share; and
- (iii) the relevant issuer of such share has a comparable market capitalisation, international standing and exposure as the Basket Company in respect of the Affected Share.

If a Failure to Deliver due to Illiquidity occurs:

- (A) subject as provided elsewhere in the Conditions, any Relevant Assets which are not Affected Relevant Assets, will be delivered on the originally designated Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates) in accordance with Condition 5.1 and (in the case of Warrants) the Calculation Agent shall determine in its discretion the appropriate pro rata portion of the Exercise Price to be paid by the relevant Holder in respect of that partial settlement; and
- (B) in respect of any Affected Relevant Assets, in lieu of physical settlement and notwithstanding any other provision hereof, except in the case of U.S. Securities (in which case another price or prices will be specified in the applicable Final Terms), the Issuer may elect in its sole discretion to satisfy its obligations in respect of the relevant Security or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, by payment to the relevant Holder of the Failure to Deliver Settlement Price on the fifth Business Day following the date that notice of such election is given to the Holders in accordance with Condition 10. Payment of the Failure to Deliver Settlement Price will be made in such manner as shall be notified to the Holders in accordance with Condition 10.

For the purposes hereof:

**"Failure to Deliver Settlement Price"** means, in respect of any relevant Security, or in the case of Warrants, if Units are specified in the applicable Final Terms, Unit, as the case may be, the fair market value of such Security or Unit, as the case may be (taking into account the Relevant Assets comprising the Entitlement which have been duly delivered as provided above), less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Issuer in its sole and absolute discretion, plus, in the case of Warrants, if applicable and 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).

- 15.3 Upon the occurrence of an Additional Disruption Event and/or Optional Additional Disruption Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable and the Issuer shall give notice as soon as practicable to the Holders in accordance with Condition 10 stating the occurrence of the Additional

Disruption Event and/or Optional Additional Disruption Event, as the case may be, giving details thereof and the action proposed to be taken in relation thereto.

## **16. KNOCK-IN EVENT AND KNOCK-OUT EVENT**

- 16.1 If "Knock-in Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-in Event, shall be conditional upon the occurrence of such Knock-in Event.
- 16.2 If "Knock-out Event" is specified as applicable in the applicable Final Terms, then, unless otherwise specified in such Final Terms, any payment and/or delivery, as applicable, under the relevant Securities which is expressed in the applicable Final Terms to be subject to a Knock-out Event, shall be conditional upon the occurrence of such Knock-out Event.
- 16.3 In respect of Index Securities, Share Securities, Futures Securities and Listed Option Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if on any Knock-in Determination Day or Knock-out Determination Day (a) in respect of Securities other than Custom Index Securities, at any time during the one hour period that begins or ends at the Valuation Time the Level triggers the Knock-in Level or the Knock-out Level, a Trading Disruption, Exchange Disruption or Early Closure occurs or exists, or (b) in respect of Custom Index Securities, a Custom Index Disruption is occurring, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred; provided that if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".
- 16.4 In respect of Commodity Securities or Currency Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Commodity Disrupted Day or a Disrupted Day, as applicable, then, unless otherwise specified in the applicable Final Terms, such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.
- 16.5 In respect of Securities other than Custom Index Securities, if the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one-hour period that begins or ends at the time on which the Level triggers the Knock-in Level or the Knock-out Level, (a) in the case of Index Securities, Share Securities and Futures Securities, a Trading Disruption, Exchange Disruption or Early Closure, (b) in the case of Currency Securities, a Disruption Event or (c) in the case of Commodity Securities, a Market Disruption Event, in each case occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred, provided that, in the case of Securities other than Commodity Securities or Currency Securities, if, by operation of this provision, no Knock-in Determination Day or Knock-out Determination Day would occur in the Knock-in Determination Period or Knock-out Determination Period, the Knock-in Period Ending Date or Knock-out Period Ending Date shall be treated as a Valuation

Date and the Calculation Agent shall determine the Level as at the Knock-in Valuation Time or Knock-out Valuation Time in accordance with the provisions contained in the definition of "Valuation Date".

#### 16.6 Definitions relating to Knock-in Event/Knock-out Event

Unless otherwise specified in the applicable Final Terms:

**"Knock-in Determination Day"** means the date(s) specified as such in the applicable Final Terms;

**"Knock-in Determination Period"** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date;

**"Knock-in Event"** means:

- (a) (in respect of a single Underlying Reference) that the Level determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is; or
- (b) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying Reference as the product of (x) the Level of such Underlying Reference as determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-in Level or, if applicable, (B) "within" the Knock-in Range Level, in each case as specified in the applicable Final Terms;

**"Knock-in Level"** means the level specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Securities other than Commodity Securities or Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities) or a Fund Business Day (in the case of Fund Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Fund Business Day, as the case may be;

**"Knock-in Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Securities other than Commodity Securities or Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities) or a Fund Business Day (in the case of Fund Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Fund Business Day, as the case may be;

**"Knock-in Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-in Valuation Time"** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time;

**"Knock-out Determination Day"** means the date(s) specified as such in the applicable Final Terms, or each Scheduled Trading Day during the Knock-out Determination Period;

**"Knock-out Determination Period"** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date;

**"Knock-out Event"** means:

- (a) (in respect of a single Underlying Reference) that the Level determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is; or
- (b) (in respect of a Basket of Underlying References) that the amount determined by the Calculation Agent equal to the sum of the values of each Underlying References as the product of (x) the Level of such Underlying Reference as determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day and (y) the relevant Weighting is,

(A) "greater than", "greater than or equal to", "less than" or "less than or equal to" the Knock-out Level or, if applicable, (B) "within" the Knock-out Range Level, in each case, as specified in the applicable Final Terms;

**"Knock-out Level"** means the level specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Period Beginning Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Securities other than Commodity Securities or Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities) or a Fund Business Day (in the case of Fund Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Fund Business Day, as the case may be;

**"Knock-out Period Ending Date"** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day (in the case of Securities other than Commodity Securities or Custom Index Securities), a Commodity Business Day (in the case of Commodity Securities), a Custom Index Business Day (in the case of Custom Index Securities) or a Fund Business Day (in the case of Fund Securities), the next following Scheduled Trading Day, Commodity Business Day, Custom Index Business Day or Fund Business Day, as the case may be;

**"Knock-out Range Level"** means the range of Levels specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions;

**"Knock-out Valuation Time"** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time;

**"Level"** means, for the purposes of this Condition 16, (a) in the case of Share Securities, ETI Securities, Futures Securities and Listed Option Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities the level of the relevant Underlying Reference (c) in the case of Commodity Securities, the Relevant Price, (d) in the case of Currency Securities, the spot



rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or (e) in the case of Debt Securities, the bid price of the relevant Underlying Reference as determined by the Calculation Agent by reference to the bid price for such Underlying Reference appearing on the Relevant Screen Page;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Custom Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption), Index Security Condition 12 (Adjustments to a Custom Index and Custom Index Disruption (Equity Custom Index)) and Index Security Condition 17 (Adjustments to a Custom Index and Custom Index Disruption (Commodity Custom Index));
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Security Condition 2 (Market Disruption), ETI Security Condition 3 (Potential Adjustment Events), ETI Security Condition 6 (Consequences of an Extraordinary ETI Event), ETI Security Condition 10 (Market Disruption (ETI Shares)), ETI Security Condition 11 (Potential Adjustment Events (ETI Shares)); and ETI Security Condition 12 (Extraordinary Events (ETI Shares));
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (Market Disruption) and Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks);
- (f) in the case of Currency Securities, Currency Security Condition 2 (Disruption Events) and Currency Security Condition 3 (Consequences of a Disruption Event);
- (g) in the case of Futures Securities, Futures Security Condition 2 (Market Disruption), Futures Security Condition 3 (Adjustments to a Future), Futures Security Condition 4 (Non-Availability of a Future Price and Non-Commencement or Discontinuance of a Future) and Futures Security Condition 5 (*Rolling Futures Contract Securities*);
- (h) in the case of Fund Securities, Fund Security Condition 4 (Consequences of an Extraordinary Fund Event);
- (i) in the case of Debt Securities, Debt Security Condition 3 (Market Disruption), Debt Security Condition 4 (Correction of Debt Instrument Price) and Debt Security Condition 5 (Redemption or Cancellation of a Debt Instrument); and
- (j) in the case of Listed Option Securities, Listed Option Security Condition 2 (Market Disruption) and Listed Option Security Condition 3 (Adjustments to a Listed Option Contract); and

**"Underlying Reference"** means, for the purposes of this Condition 16, each Index, Custom Index, Share, ETI Interest, Commodity, Commodity Index, Subject Currency, Future, Fund, Listed Option Contract or other basis of reference to which the relevant Securities relate.

## 17. ADJUSTMENTS FOR EUROPEAN MONETARY UNION

The Issuer may, without the consent of the Holders, on giving notice to the Holders in accordance with Condition 10:

- (a) elect that, with effect from the Adjustment Date specified in the notice, certain terms of the Securities shall be redenominated in euro.

The election will have effect as follows:

- (i) where the Settlement Currency of the Securities is the National Currency Unit of a country which is participating in the third stage of European Economic and Monetary Union, such Settlement Currency shall be deemed to be an amount of euro converted from the original Settlement Currency into euro at the Established Rate, subject to such provisions (if any) as to rounding as the Issuer may decide, after consultation with the Calculation Agent, and as may be specified in the notice, and after the Adjustment Date, all payments of the Cash Settlement Amount in respect of the Securities will be made solely in euro as though references in the Securities to the Settlement Currency were to euro;
  - (ii) where the Exchange Rate and/or any other terms of these Terms and Conditions are expressed in or, in the case of the Exchange Rate, contemplate the exchange from or into, the currency (the "**Original Currency**") of a country which is participating in the third stage of European Economic and Monetary Union, such Exchange Rate and/or any other terms of these Terms and Conditions shall be deemed to be expressed in or, in the case of the Exchange Rate, converted from or, as the case may be into, euro at the Established Rate; and
  - (iii) such other changes shall be made to these Terms and Conditions as the Issuer may decide, after consultation with the Calculation Agent to conform them to conventions then applicable to instruments expressed in euro; and/or
- (b) require that the Calculation Agent make such adjustments to the Weighting and/or the Settlement Price and/or the Exercise Price (in the case of Warrants) and/or any other terms of these Terms and Conditions and/or the Final Terms as the Calculation Agent, in its sole discretion, may determine to be appropriate to account for the effect of the third stage of European Economic and Monetary Union on the Weighting and/or the Settlement Price and/or the Exercise Price (in the case of Warrants) and/or such other terms of these Terms and Conditions.

Notwithstanding the foregoing, none of the Issuer, the Guarantor, if any, the Calculation Agent and the Security Agents shall be liable to any Holder or other person for any commissions, costs, losses or expenses in relation to or resulting from the transfer of euro or any currency conversion or rounding effected in connection therewith.

In this Condition, the following expressions have the following meanings:

"**Adjustment Date**" means a date specified by the Issuer in the notice given to the Holders pursuant to this Condition which falls on or after the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"Established Rate"** means the rate for the conversion of the Original Currency (including compliance with rules relating to rounding in accordance with applicable European Union regulations) into euro established by the Council of the European Union pursuant to Article 140 of the Treaty;

**"euro"** means the currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty;

**"National Currency Unit"** means the unit of the currency of a country, as those units are defined on the day before the date on which the country of the Original Currency first participates in the third stage of European Economic and Monetary Union; and

**"Treaty"** means the Treaty on the Functioning of the European Union, as amended.

## **18. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

The English Law Securities do not confer on a third party any right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of such Securities but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

## **19. TERMS APPLICABLE TO WARRANTS ONLY**

Conditions 20 to 26 apply to Warrants only.

## **20. DEFINITIONS (WARRANTS)**

**"Actual Exercise Date"** means the Exercise Date (in the case of European Style Warrants) or, subject to Condition 23, the date during the Exercise Period (in the case of American Style Warrants) on which the Warrant is actually or is deemed exercised or, if Automatic Exercise is specified in the applicable Final Terms, is automatically exercised (as more fully set out in Condition 23);

**"Averaging Date"** means, in respect of an Actual Exercise Date:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 1)), Share Securities, ETI Securities, Debt Securities, Fund Securities, Futures Securities or Listed Option Securities, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent any such day is a Disrupted Day. If any such day is a Disrupted Day, then:
  - (i) if "Omission" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur in respect of such Actual Exercise Date, then the provisions of the definition of "Valuation Date" will apply for purposes of determining the relevant level, price or amount on the final Averaging Date with respect to that Actual Exercise Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
  - (ii) if "Postponement" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such

Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or

(iii) if "Modified Postponement" is specified as applying in the applicable Final Terms then:

- (A) where the Warrants are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Futures Securities relating to a single Future, or Listed Option Securities relating to a single Listed Option Contract, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(i) of the definition of "Valuation Date" below;
- (B) where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Futures Securities relating to a Basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts, the Averaging Date for each Index, Share, ETI Interest, Future or Listed Option Contract not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, Future or Listed Option Contract affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest, Future or Listed Option Contract. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest, Future or Listed Option Contract has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date in respect of such Actual Exercise Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest, Future or Listed Option Contract and (II) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (a)(i) of the definition of "Valuation Date" below; and
- (C) where the Warrants are Debt Securities, provisions for determining the Averaging Date in the event of Modified Postponement applying will be set out in the applicable Final Terms; or

- (b) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply;

**"Cash Settlement Amount"** means, in relation to Cash Settled Warrants, the amount to which the Holder 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 the provisions set out in the applicable Final Terms. The Cash Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention, unless otherwise specified in the applicable Final Terms;

**"Dutch Law Warrants"** means the Warrants specified in the applicable Final Terms as being governed by Dutch law;

**"English Law Warrants"** means the Warrants specified in the applicable Final Terms as being governed by English law;

**"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 Holder 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) (including Expenses as defined in Condition 11) rounded down as provided in Condition 24.3, as determined by the Calculation Agent including any documents evidencing such Entitlement;

**"Exercise Business Day"** means:

- (a) in the case of Cash Settled Warrants, a day that is a Business Day; and
- (b) in the case of Physical Delivery Warrants, a day that is a Business Day and a Scheduled Trading Day;

**"Expiration Date"** means the last day of the Exercise Period;

**"Finnish Dematerialised Warrants"** means Warrants in registered, uncertified and dematerialised book-entry form in accordance with the provisions of Regulation (EU) No 909/2014 (the **"Central Securities Depositories Regulation"**), the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)) accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System;

**"French Law Warrants"** means the Warrants specified in the applicable Final Terms as being governed by French law;

**"Italian Dematerialised Warrants"** means Warrants issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions;

**"Italian Warrants"** means Warrants which are listed and admitted to trading on the Multilateral Trading Facility (the **"EuroTLX"**), organised and managed by EuroTLX Sim S.p.A.;

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms. The provisions contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date";

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

**"Settlement Date"** means, unless specified otherwise in the applicable Final Terms:

(a) in relation to Cash Settled Warrants:

(i) (other than in respect of Commodity Securities or Inflation Index Securities) in relation to each Actual Exercise Date, (A) 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 Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Fund Securities relating to a Basket of Fund Shares, Futures Securities relating to a basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts and the occurrence of a Disrupted Day has resulted in a Valuation Date for one or more Indices, Shares, ETI Interests, Debt Instruments, Fund Shares, Futures or Listed Option Contract, 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, Share, ETI Interest, Debt Instrument, Fund Share, Future or Listed Option Contract, as the case may be, or (B) 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 Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Fund Securities relating to a Basket of Fund Shares, Futures Securities relating to a Basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts and the occurrence of a Disrupted Day has resulted in an Averaging Date for one or more Indices, Shares, ETI Interests, Debt Instruments, Fund Shares, Futures or Listed Option Contracts, 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, Share, ETI Interest, Debt Instrument, Commodity or Commodity Index, Fund Share, Future or Listed Option Contracts, as the case may be; or

(ii) in respect of Commodity Securities or Inflation Index Securities, the date as specified in the applicable Final Terms; and

(b) in relation to Physical Delivery Warrants, the date specified as such in the applicable Final Terms;

**"Swedish Dematerialised Warrants"** means Warrants in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

**"Swiss Dematerialised Warrants"** means Warrants in uncertificated and dematerialised form which are entered into the main register (*Hauptregister*) of SIX SIS Ltd or any other intermediary in Switzerland

recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the "**Intermediary**") and entered into the accounts of one or more participants of the Intermediary;

"**Swiss Materialised Warrants**" means Warrants represented by a permanent global warrant which will be deposited by the Swiss Security Agent with SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any such other intermediary, the "**Intermediary**") and entered into the accounts of one or more participants of the Intermediary;

"**Valid Date**" means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date in relation to the Actual Exercise Date or another Observation Date does not or is deemed not to occur;

"**Valuation Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Instruments, Futures Securities or Listed Option Securities, unless otherwise specified in the applicable 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. If such day is a Disrupted Day, then:
  - (i) where the Warrants are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument, Futures Securities relating to a single Future or Listed Option Securities relating to a single Listed Option Contract, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the 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:
    - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
    - (B) in the case of Share Securities, ETI Securities, Debt Securities, Futures Securities or Listed Option Securities, in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or

- (ii) where the Warrants are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Futures Securities relating to a Basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument, Future or Listed Option Contract, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument, Future or Listed Option Contract affected, as the case may be (each an "**Affected Item**"), by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:
  - (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (B) in the case of a Share, ETI Interest, Debt Instrument, Future or Listed Option Contract, its good faith estimate of the value for the Affected Item as of the Valuation Time on the last such consecutive Scheduled Trading Day; and

(b) in the case of Commodity Securities, the Final Pricing Date,

and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Valuation Time specified in the applicable Final Terms; or
- (b) if not set out in the applicable Final Terms, in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (i) for the purposes of determining whether a Market Disruption Event has occurred (A) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (B) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or



- (c) if not set out in the applicable Final Terms, in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities, unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index, Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time; or
- (d) if not set out in the applicable Final Terms, in the case of Share Securities relating to Shares in respect of which "China Connect" is specified as applicable in the applicable Final Terms and unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time of the China Connect Service on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each such Share to be valued, provided that, if the China Connect Service closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular order routing session, then the Valuation Time shall be such actual closing time.

## 21. FORM OF WARRANTS

Dutch Law Warrants are represented by a permanent global warrant (the "**Permanent Global Warrant**"). Except as provided herein, no Warrants in definitive form will be issued.

English Law Warrants (other than Swedish Dematerialised Warrants, Finnish Dematerialised Warrants, Italian Dematerialised Warrants and Swiss Dematerialised Warrants) are represented by (i) a permanent global warrant (the "**Permanent Global Warrant**"), (ii) a Rule 144A Global Warrant (as defined below), (iii) a Regulation S Global Warrant (as defined below), (iv) a registered global warrant (the "**Registered Global Warrant**") or (v) a warrant in definitive registered form (a "**Private Placement Definitive Warrant**"), as specified in the applicable Final Terms. Except as provided herein, no Warrants in definitive form will be issued.

English Law Warrants that are Swedish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Finnish Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Central Securities Depositories Regulation, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). Finnish Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Italian Dematerialised Warrants will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions. Italian Dematerialised Warrants will not be issued in definitive form.

English Law Warrants that are Swiss Materialised Warrants will be represented by a permanent global warrant which will be deposited by the Swiss Security Agent with the Intermediary. Upon the permanent global warrant being deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Materialised Warrants will constitute intermediated securities

(*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

English Law Warrants that are Swiss Dematerialised Warrants will be issued in uncertificated and dematerialised form and will be entered into the main register (*Hauptregister*) of the Intermediary. Upon being registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Dematerialised Warrants will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*). Swiss Dematerialised Warrants will not be issued in definitive form.

In the event that the applicable Final Terms specify that Warrants are eligible for sale in the United States ("**U.S. Warrants**") (such eligibility to be pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended (the "**Securities Act**")), (A) the Warrants sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Warrants**") will be represented by one or more Rule 144A global warrants (each, a "**Rule 144A Global Warrant**"), (B) the Warrants sold in the United States to certain institutional accredited investors ("**AIs**") (as defined in Rule 501(a)(1), (2), (3), (7), (8) or (9) of Regulation D under the Securities Act) will be constituted by Private Placement Definitive Warrants, (C) the Warrants sold in the United States by BNPP B.V. to QIBs who are qualified purchasers ("**QPs**") as defined under the Investment Company Act of 1940 will be represented by a Rule 144A Global Warrant and (D) in either such case, the Warrants sold outside the United States to persons that are not (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in (a) the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**") or (b) the final rule relating to Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants promulgated by the CFTC, in each case as amended, modified or supplemented from time to time, pursuant to the Commodity Exchange Act; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**") will be represented by one or more Regulation S global warrants (each, a "**Regulation S Global Warrant**"). References herein to a "**Clearing System Global Warrant**" means, as the context so requires, a Rule 144A Global Warrant, a Regulation S Global Warrant or the Permanent Global Warrant, representing the Warrants and Warrants represented by a Clearing System Global Warrant are referred to herein as "**Clearing System Warrants**".

In the event that the Final Terms does not specify that Warrants are eligible for sale in the United States or to U.S. persons, the Warrants offered and sold outside the United States to persons that are not U.S. persons in reliance on Regulation S will be represented by a Regulation S Global Warrant, a Permanent Global Warrant or a Registered Global Warrant, as the case may be.

In the event that the Warrants are constituted by a Clearing System Global Warrant other than a Rule 144A Global Warrant, the Clearing System Global Warrant will be deposited with a depository (the "**Common Depository**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System or (in the case of English Law Warrants held through Euroclear France) with Euroclear France, in each case in accordance with the rules and regulations of the relevant Clearing System(s). If the Clearing System specified in the Final Terms is Iberclear, the term Common Depository and/or Custodian shall

be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear. Warrants represented by a Rule 144A Global Warrant will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), or (ii) issued and deposited with the Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

In the event that the Warrants are constituted by a Registered Global Warrant (such Warrants being hereafter referred to as "**Registered Warrants**"), the Registered Global Warrant will be held by the Registrar on behalf of the holders.

Interests in a Rule 144A Global Warrant and a Regulation S Global Warrant may be exchanged for interests in the other Global Warrants and for Private Placement Definitive Warrants and Private Placement Definitive Warrants may be exchanged for an interest in a Rule 144A Global Warrant or Regulation S Global Warrant only as described herein. Interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant may not be exchanged for interests in a Registered Global Warrant and interests in a Registered Global Warrant may not be exchanged for interests in a Clearing System Global Warrant or a Private Placement Definitive Warrant.

Each Clearing System Global Warrant and the Registered Global Warrant is referred to in these Terms and Conditions as a "**Global Warrant**". The applicable Final Terms (or the relevant provisions thereof) will be attached to such Global Warrant.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, if DTC notifies BNPP that it is unwilling or unable to continue as a depository for that Global Warrant or if at any time DTC ceases to be a "clearing agency" registered under the Exchange Act, as amended and a successor depository is not appointed by BNPP within 90 days of such notice, BNPP will deliver Warrants in definitive registered form (bearing such legends as may be required by BNPP) in exchange for that Rule 144A Global Warrant. Except in these circumstances, owners of beneficial interests in a Rule 144A Global Warrant held by a Custodian on behalf of DTC will not be entitled to have any portion of such Warrants registered in their name and will not receive or be entitled to receive physical delivery of registered Warrants in definitive form in exchange for their interests in that Rule 144A Global Warrant. Transfer, exercise, settlement and other mechanics related to any Warrants issued in definitive form in exchange for Warrants represented by such Rule 144A Global Warrant shall be as agreed between BNPP and the New York Security Agent.

French Law Warrants are issued in dematerialised form (*au porteur*) (such Warrants hereinafter also referred to as "**Clearing System Warrants**"). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of French Law Warrants.

## **22. TYPE (WARRANTS)**

The applicable Final Terms will indicate whether the Warrants are American style Warrants ("**American Style Warrants**") or European style Warrants ("**European Style Warrants**"), Registered Warrants or such other type as may be specified in the applicable Final Terms, in the case of Cash Settled Warrants whether automatic exercise ("**Automatic Exercise**") applies to the Warrants, 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 ("**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 the Warrants are Swedish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

If the Warrants are Finnish Dematerialised Warrants, they will be European Style Warrants and Cash Settlement and Automatic Exercise will apply.

If the Warrants are Italian Dematerialised Warrants they will be European Style Warrants or American Style Warrants and Cash Settlement and Automatic Exercise will apply.

## **23. TITLE AND TRANSFER OF REGISTERED WARRANTS**

The Issuer shall cause to be kept at the principal office of the Registrar, a register (the "**Register**") on which shall be entered the names and addresses of all holders of the Registered Warrants, the number or amount, as the case may be, and type of the Warrants held by each Holder and details of all transfers of the Warrants.

Each person who is for the time being shown in the Register as the holder of a particular amount of Registered Warrants (each a "**Holder**") shall (except as otherwise required by law) be treated as the absolute owner of such number or amount, as the case may be, of such Warrants for all purposes (regardless of any notice of ownership, trust, or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating such person.

Subject as provided below, title to the Registered Warrants will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement.

A Registered Warrant may be transferred by the transferor or a person duly authorised on behalf of the transferor depositing at the specified office of the Registrar a duly completed transfer certificate (a "**Transfer Certificate**") in the form set out in the Agency Agreement (copies of which are available from the Registrar) signed by or on behalf of the transferor and upon the Registrar after due and careful enquiry being satisfied with the documents of title and the identity of the person making the request and subject to the regulations set out in Schedule 15 to the Agency Agreement, the Registrar should enter the name of the transferee in the Register for the Registered Warrants as the Holder of the Registered Warrant specified in the form of transfer.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Warrants and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

## **24. EXERCISE RIGHTS (WARRANTS)**

### **24.1 Exercise of Warrants**

#### **(a) American Style Warrants**

American Style Warrants are exercisable on any Exercise Business Day during the Exercise Period.

### *Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Warrants held through Euroclear France ("**Euroclear France Warrants**") or Warrants held through Euroclear Netherlands ("**Euroclear Netherlands Warrants**"):

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice (as defined below) has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Luxembourg or Brussels time, as appropriate, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m. (Local Time) to the relevant Clearing System or to the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants), and the copy thereof is received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the relevant Clearing System or, as the case may be, the relevant Account Holder, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m. (Local Time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise 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 25 at or prior to 10.00 a.m. (Local Time) on the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) if the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

The following provisions apply to Rule 144A Global Warrants held by a Custodian on behalf of DTC:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the New York Security Agent with a copy thereof received by the Principal Security Agent or, if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior

to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date, is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the New York Security Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m. on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York 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 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) (I) if the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Exercise Business Day during the Exercise Period on which an Exercise Notice is delivered prior to 10.00 a.m., Tokyo time, to the Registrar and a copy thereof so received by the Principal Security Agent or, if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 10.00 a.m., Tokyo time, on the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is delivered to the Registrar, or if the copy thereof is received by the Principal Security Agent, in each case, after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day which next Exercise 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 received in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) if the Warrants are Physical Delivery Warrants, in the case of Private Placement Definitive Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, shall be automatically exercised on the Expiration Date and the provisions of Condition 25.9 shall apply.

The Business Day during the Exercise Period immediately succeeding the Business Day in New York on which an Exercise Notice is received prior to 5.00 p.m., New York City time, by the Definitive Security Agent with a copy thereof received by the Principal Security Agent or if Automatic Exercise is specified as applying in the applicable Final Terms and no Exercise Notice has been delivered at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any such Exercise Notice is received by the Definitive Security Agent, or if the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice will be deemed to have been delivered on the next Business Day in New York and the Business Day in New York immediately succeeding such next Business Day in New York 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 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Expiration Date shall (A) if (I) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (II) the Warrants are Physical Delivery Warrants, become void or (B) if the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, be automatically exercised on the Expiration Date as provided above.

#### *Italian Dematerialised Warrants*

If the Warrants are Italian Dematerialised Warrants, any American Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Milan time on the Expiration Date shall be automatically exercised on the Expiration Date.

The Exercise Business Day during the Exercise Period on which an Exercise Notice (an "**Exercise Notice**") in, or substantially in, the form set out in the applicable Final Terms, is delivered by the Holder prior to 10.00 a.m. (Milan time) to the Italian Security Agent, or if the Warrants are automatically exercised, the Expiration Date is referred to herein as the "**Actual Exercise Date**". If any Exercise Notice is received by the Italian Security Agent, in each case, after 10.00 a.m. (Milan time) on any Exercise Business Day during the Exercise Period, such Exercise Notice will be deemed to have been delivered on the next Exercise Business Day, which Exercise 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 to the Italian Security Agent at or prior to 10.00 a.m. (Milan time) on the Expiration Date shall be automatically exercised on the Expiration Date as provided above.

#### **(b) European Style Warrants**

European Style Warrants are only exercisable on the Exercise Date.

#### *Clearing System Warrants*

The following provisions apply to Clearing System Warrants held by a Common Depository on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Euroclear France Warrants or Euroclear Netherlands Warrants:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m. (Local Time) on the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

The following provisions apply to Rule 144A Global Warrants held by a Custodian on behalf of DTC:

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

#### *Registered Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall become void. If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 10.00 a.m., Tokyo time, on the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

#### *Private Placement Definitive Warrants*

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, any European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall become void.

If the Warrants are Cash Settled Warrants and Automatic Exercise is specified as applying in the applicable Final Terms, any such European Style Warrant with respect to which no Exercise Notice has been delivered in the manner set out in Condition 25, at or prior to 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Actual Exercise Date, shall be automatically exercised on the Actual Exercise Date and the provisions of Condition 25.9 shall apply.

#### *Swedish Dematerialised Warrants*

If the Warrants are Swedish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.



### *Finnish Dematerialised Warrants*

If the Warrants are Finnish Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date.

### *Italian Dematerialised Warrants*

If the Warrants are Italian Dematerialised Warrants, the Warrants will be automatically exercised on the Exercise Date, subject as provided in the following paragraph.

## 24.2 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 and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal unless otherwise specified in the applicable Final Terms to:

- (a) where Averaging is not specified in the applicable Final Terms:
  - (i) if such Warrants are Call Warrants,  
  
(Settlement Price less Exercise Price) multiplied by, in the case of Debt Securities only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity;
  - (ii) if such Warrants are Put Warrants,  
  
(Exercise Price less Settlement Price) multiplied by, in the case of Debt Securities only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity; and
  - (iii) if such Warrants are not Call Warrants or Put Warrants, settlement will be as specified in the applicable Final Terms;
- (b) where Averaging is specified in the applicable Final Terms:
  - (i) 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 Securities only, the nominal amount and divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity;
  - (ii) 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 Securities only, the nominal amount and

divided by, in the case of Warrants in respect of which a Parity is specified in the applicable Final Terms, such Parity; and

- (iii) if such Warrants are not Call Warrants nor Put Warrants, settlement will be as specified in the applicable Final Terms.

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 in the relevant Settlement Currency, 0.005 being rounded upwards, with Warrants exercised at the same time by the same Holder being aggregated for the purpose of determining the aggregate Cash Settlement Amounts payable in respect of such Warrants or Units, as the case may be. In such cases, the formula for determining the Cash Settlement Amount may include a deduction for sales tax in the manner specified in the applicable Final Terms.

Payments in respect of Warrants denominated and payable in CNY will be made solely by transfer to a CNY bank account maintained in the CNY Settlement Centre(s) in accordance with prevailing rules and regulations.

#### 24.3 Physical Settlement

If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants, represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by a Rule 144A Global Warrant or a Private Placement Definitive Warrant, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date 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 Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Warrants or Units, as the case may be, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset or each of the Relevant Assets, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset or of each of the Relevant Assets, as the case may be, will not be delivered and no cash adjustment will be made in respect thereof.

Following exercise of a Share Security 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 Holder will be paid to the account specified by the Holder in the relevant Exercise Notice as referred to in Condition 25.

Commodity Securities shall not be Physical Delivery Warrants.

#### 24.4 General

In relation to any Cash Settled Warrants where Automatic Exercise is specified as applying in the applicable Final Terms, the expressions "**exercise**", "**due exercise**" and related expressions shall be

construed to apply to any such Cash Settled Warrants which are automatically exercised in accordance with the above provisions.

All references in this Condition to "**Luxembourg or Brussels time**" or "**New York time**" 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.

#### 24.5 CNY Payment Disruption Event

If "CNY Payment Disruption Event" is specified as applicable in the applicable Final Terms, in the event that the Calculation Agent determines, in its sole and absolute discretion, that a CNY Payment Disruption Event has occurred or is likely to occur and that such CNY Payment Disruption Event is material in relation to the Issuer's payment obligations under the Warrants in respect of the Settlement Date or other date on which any amount in respect of the Warrants shall be due and payable (each such date, an "**Affected Payment Date**"), then the Calculation Agent shall notify Holders as soon as practicable of the occurrence of such CNY Payment Disruption Event in accordance with Condition 10.

Upon the occurrence of a CNY Payment Disruption Event:

##### (a) Postponement

If "Postponement" is specified as applicable in the applicable Final Terms, then the Affected Payment Date shall be postponed until the earlier of (A) the second Business Day following the day on which such CNY Payment Disruption Event ceases to exist, and (B) the date falling 14 calendar days following the original date on which the Affected Payment Date was scheduled to fall (the "**CNY Payment Disruption Cut-off Date**") and notice thereof shall be given to the relevant Holders in accordance with Condition 10.

In the event that, pursuant to the preceding paragraph, the Affected Payment Date is adjusted to fall on the CNY Payment Disruption Cut-off Date and the Calculation Agent determines that a CNY Payment Disruption Event still exists on such day, then the Issuer shall make payment of the Equivalent Amount of the relevant payment or such other amount payable (if applicable) on the CNY Payment Disruption Cut-off Date and notice thereof shall be given to the relevant Holders of the Warrants in accordance with Condition 10. Any such payment made by the Issuer on the CNY Payment Disruption Cut-off Date shall be in full and final settlement of its obligations to pay such amount in respect of the Warrants.

##### (i) Payment of Equivalent Amount

If "Payment of Equivalent Amount" is specified as applicable in the applicable Final Terms, the Issuer shall, upon giving notice prior to the relevant Affected Payment Date to the Holders in accordance with Condition 10, make payment of the Equivalent Amount of the relevant payment or such other amount payable (if applicable) on the relevant Affected Payment Date. Any such payment made by the Issuer on an Affected Payment Date shall be in full and final settlement of its obligations to pay such amount in respect of the Warrants.

For these purposes:

"CNY" means Chinese Yuan or Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to CNY).

**"CNY Governmental Authority"** means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the People's Republic of China, Hong Kong and any other CNY Settlement Centre(s).

**"CNY Payment Disruption Event"** means the occurrence of any of the following events:

- (A) an event which makes it impossible (where it had previously been possible) or impractical for the Issuer to convert any amounts due and payable in CNY under the Warrants into or from the Equivalent Amount Settlement Currency in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a **"CNY Inconvertibility Event"**). For the avoidance of doubt, the inability of the Issuer to convert CNY solely due to issues relating to its creditworthiness shall not constitute a CNY Inconvertibility Event;
- (B) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to deliver (i) CNY between accounts inside the relevant CNY Settlement Centre(s), or (ii) from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre) and outside Mainland China, or (iii) from an account outside the relevant CNY Settlement Centre(s) (including, if applicable, from an account inside another CNY Settlement Centre) and outside Mainland China to an account inside the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a **"CNY Non- Transferability Event"**); or
- (C) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to obtain a firm quote of an offer price in respect of any amounts due and payable in CNY under the Warrants (either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such amount) in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s) in order to perform its obligations under the Warrants (a **"CNY Illiquidity Event"**). For the avoidance of doubt, the inability of the Issuer to obtain such firm quote solely due to issues relating to its creditworthiness shall not constitute a CNY Illiquidity Event.

**"CNY Settlement Centre"** means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no CNY Settlement Centre is specified in the applicable Final Terms, the CNY Settlement Centre will be Hong Kong.

**"Equivalent Amount"** means, following the occurrence of a CNY Payment Disruption Event and in respect of the relevant payment or such other amount payable (if applicable) on the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be (for these purposes, the **"Relevant CNY Amount"**), an amount in the Equivalent Amount Settlement Currency determined by the Calculation Agent (in its sole and absolute discretion), by converting the Relevant CNY Amount into the Equivalent Amount Settlement Currency using the Equivalent Amount Settlement

Price for the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be.

**"Equivalent Amount Settlement Currency"** means the currency specified as such in the applicable Final Terms.

**"Equivalent Amount Settlement Price"** means, in respect of any relevant day, the spot rate of exchange between CNY and the Equivalent Amount Settlement Currency on such day, appearing on the Equivalent Amount Settlement Price Source at the Equivalent Amount Settlement Valuation Time on such day (expressed as a number of units (or part units) of CNY for which one unit of the Equivalent Amount Settlement Currency can be exchanged), or if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer CNY/Equivalent Amount Settlement Currency exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) at the Equivalent Amount Settlement Valuation Time on such day. If less than two leading dealers provide the Calculation Agent with bid and offer CNY/Equivalent Amount Settlement Currency exchange rates on such day, the Calculation Agent shall determine the Equivalent Amount Settlement Price in its discretion.

**"Equivalent Amount Settlement Price Source"** means the price source specified in the applicable Final Terms.

**"Equivalent Amount Settlement Valuation Time"** means, unless otherwise specified in the applicable Final Terms, or if not so specified the time at which the Equivalent Amount Settlement Price Source publishes the Equivalent Amount Settlement Price.

**"impossible"** or **"impossibility"** in relation to a CNY Payment Disruption Event, shall include (but shall not be limited to) any act which, if done or performed by the Issuer (or any affiliate of the Issuer) would be or result in the breach of any applicable law, rule, or regulation.

**"impractical"** or **"impracticality"** means, in relation to a CNY Payment Disruption Event and in respect of any action to be taken by the Issuer, that the Issuer (or any of its affiliates) would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action.

## **25. EXERCISE PROCEDURE (WARRANTS)**

### **25.1 Exercise Notice in respect of Clearing System Warrants**

Subject as provided in Condition 25.9, Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System and Euroclear France Warrants or Euroclear Netherlands Warrants, may only be exercised by the delivery, or the sending by fax, of a duly completed exercise notice (an **"Exercise Notice"**) in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Clearing System (in the case of Dutch Law Warrants or English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) and the relevant Security Agents during normal office hours) to the relevant Clearing System or, as the case may be, the relevant Account Holder, with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

Subject as provided in Condition 25.9, Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC may only be exercised by the delivery by facsimile of a duly completed Exercise Notice in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents) to the New York Security Agent with a copy to the Principal Security Agent, in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled 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 Holder's securities account at the relevant Clearing System (in the case of Dutch Law Warrants or English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) to be debited with the Warrants or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
  - (iii) irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's DWAC function;
  - (iv) (A) specify the number of the Holder's account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (v) (A) include an undertaking to pay all Security Expenses, and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder at the relevant Clearing System or as the case may be, the relevant Account Holder or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and to pay such Security Expenses and/or to debit a specified account of the Holder in respect thereof and to pay such Security Expenses;
  - (vi) certify, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not

being exercised within the United States or on behalf of a U.S. person (as defined in the Exercise Notice) and no cash has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Exercise Notice) in connection with any exercise thereof; and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms; and

- (vii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (b) 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 Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with the Warrants being exercised or, in case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with the Warrants being exercised;
- (iii) irrevocably instruct Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or, as the case may be, the relevant Account Holder to debit on or before the Settlement Date the Holder's securities account with the Warrants being exercised or Units, as the case may be, being exercised or in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to exercise the Warrants or Units, as the case may be, debited to the account of the Holder and credited to the account of the New York Security Agent by means of DTC's Deposit and Withdrawal at Custodian, or "DWAC", function;
- (iv) irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit on the Actual Exercise Date a specified account of the Holder with such Clearing System or Account Holder with the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), or, in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, contain an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable), to the account of the New York Security Agent on the Actual Exercise Date;
- (v) include an undertaking to pay all Security Expenses and (A) in the case of Warrants represented by a Clearing System Global Warrant held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System or a Euroclear France Warrant, an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account of the

Holder at the relevant Clearing System or at the relevant Account Holder in respect thereof and to pay such Security Expenses, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, an authority to the New York Security Agent to debit a specified account of the Holder in respect thereof and to pay such Security 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 (A) specify the name and the number of the Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder 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 or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, or (B) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;
- (vii) in the case of Currency Securities only, specify the number of the Holder's account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon exercise of the Warrants or Units, as the case may be, or in the case of Currency Securities represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, specify the designated account at DTC to be credited with the amount due upon exercise of the Warrants or Units, as the case may be;
- (viii) certify, in the case of Warrants represented by a Clearing System Global Warrant other than a Rule 144A Global Warrant, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person (as defined in the Exercise Notice) and no cash, securities or other property has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Exercise Notice) in connection with any exercise thereof and, where appropriate, including in the case of Warrants represented by a Rule 144A Global Warrant, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as indicated and set out in the applicable Final Terms; and
- (ix) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) 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 the relevant



Clearing System or, as the case may be, the relevant Account Holder and the Security Agents during normal office hours.

If Condition 5.3(b) applies, unless the applicable Final Terms specifies otherwise, Holders will be required to deliver an Exercise Notice specifying appropriate information relating to the settlement of Cash Settled Warrants.

## 25.2 Exercise Notice in respect of Private Placement Definitive Warrants

Warrants may only be exercised by the delivery by facsimile of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the relevant Security Agents during normal office hours) to the Definitive Security Agent with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled 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) irrevocably instruct the Definitive Security Agent to remove from the Private Placement Register on or before the Settlement Date the Warrants being exercised;
  - (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
  - (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
  - (v) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms; and
  - (vi) authorise the production of such certification in any applicable administrative or legal proceedings,all as provided in the Agency Agreement.
- (b) 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) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;

- (iii) include an undertaking to pay BNPP the aggregate Exercise Prices in respect of such Warrant, or Units, as the case may be (together with any other amount payable), to the account of the Definitive Security Agent on the Actual Exercise Date;
- (iv) include an undertaking to pay all Security Expenses and an authority to the Definitive Security Agent to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit a specified account of the Holder in respect thereof;
- (v) 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 account to be credited with any cash payable by BNPP, either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount;
- (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;
- (vii) include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) 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 the Definitive Security Agent.

### 25.3 Exercise Notice in respect of Registered Warrants

The following provisions apply to Registered Warrants:

Warrants may only be exercised by the delivery in writing of a duly completed exercise notice (an "**Exercise Notice**") in the form set out in the Agency Agreement (copies of which form may be obtained from the Registrar) to the Registrar with a copy to the Principal Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

- (a) In the case of Cash Settled 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) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;

- (iii) specify the details of the account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (iv) 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 ("**Security Expenses**") and an authority to the Registrar to deduct an amount in respect thereof from any Cash Settlement Amount due to such Holder;
- (v) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person (as defined in the Exercise Notice) and no cash has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Exercise Notice) in connection with any exercise thereof; and
- (vi) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (b) 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) irrevocably instruct the Registrar to remove from the Register on or before the Settlement Date the Warrants being exercised;
  - (iii) include an undertaking to pay to the Issuer the aggregate Exercise Prices in respect of such Warrants or Units, as the case may be (together with any other amounts payable);
  - (iv) include an undertaking to pay all Security Expenses;
  - (v) 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 account 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 or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount;
  - (vi) in the case of Currency Securities only, specify the details of the account to be credited with the amount due upon exercise of the Warrants;

- (vii) certify, *inter alia*, that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person (as defined in the Exercise Notice) and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Exercise Notice) in connection with any exercise thereof; and
- (viii) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

- (c) If Condition 5.3(b) 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 the Registrar.

#### 25.4 Exercise Notice in respect of Italian Dematerialised Warrants

Warrants which are Italian Dematerialised Warrants may be exercised by the delivery or the sending by fax of a duly completed Exercise Notice to the Italian Security Agent in accordance with the provisions set out in Condition 24 and this Condition.

The Exercise Notice shall:

- (a) 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;
- (b) specify the number of the Holder's securities account with Monte Titoli to be debited with the Warrants;
- (c) irrevocably instruct Monte Titoli to debit on or before the Settlement Date, the specified securities account with the Warrants being exercised;
- (d) specify the number of the Holder's account to be credited with the Cash Settlement Amount (if any) for each Warrant or Unit, as the case may be, being exercised;
- (e) include an undertaking to pay or procure the payment of all Security Expenses, and an authority to the Italian Security Agent to deduct any amount in respect thereof from any Cash Settlement Amount due to such Holder and/or to debit the specified account of the Holder; and
- (f) certify that the beneficial owner of each Warrant being exercised is not a U.S. person (as defined in the Exercise Notice), the Warrant is not being exercised within the United States or on behalf of a U.S. person (as defined in the Exercise Notice) and no cash has been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Exercise Notice) in connection with any exercise thereof; and, where appropriate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms.

#### 25.5 Verification of the Holder

In the case of Clearing System Warrants (other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC), upon receipt of an Exercise Notice, the relevant Clearing

System (in the case of Dutch Law Warrants or English Law Warrants) or the relevant Account Holder (in the case of French Law Warrants) shall verify that the person exercising the Warrants is the holder thereof according to the books of such Clearing System (in the case of Dutch Law Warrants or English Law Warrants) or in the accounts of the relevant Account Holders (in the case of French Law Warrants). Subject thereto, the relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and the 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 Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the English Law Warrants constituted by the relevant Clearing System Global Warrant, the Common Depositary will, on the instructions of, and on behalf of the Principal Security Agent, note such exercise on the Schedule to such Clearing System Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Registered Warrants, upon receipt of an Exercise Notice, the Registrar shall verify that the person exercising the Warrants is the Holder according to the Register. Subject thereto, the Registrar shall confirm to the Issuer and the Agent the series number and the 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 delivery of the Entitlement of each Warrant or Unit, as the case may be, being exercised. The Registrar will on or before the Settlement Date remove from the Register the Warrants being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Registered Global Warrant, the Registrar will note such exercise on the Schedule to the Registered Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, upon receipt of an Exercise Notice, the New York Security Agent shall verify that the person exercising the Warrants is the Holder according to the records of DTC. Subject thereto, the New York Security Agent shall notify BNPP of the 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 delivery of the Entitlement in respect of each Warrant or Unit, as the case may be, being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by the Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent will note such exercise on the Schedule to such Rule 144A Global Warrant and the number of Warrants so constituted shall be reduced by the cancellation *pro tanto* of the Warrants so exercised.

In the case of Private Placement Definitive Warrants, upon receipt of an Exercise Notice, the Definitive Security Agent shall verify that the person exercising the Warrants is the Holder according to the Private Placement Register. Subject thereto, the Definitive Security Agent shall notify BNPP of the 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 delivery of the Entitlement in respect of each Warrant or Unit being exercised. If the Warrants are American Style Warrants, upon exercise of less than all the Warrants constituted by such Private Placement Definitive Warrant, the Holder will surrender such Private Placement Definitive Warrant and BNPP shall execute and the Definitive Security Agent shall authenticate and make available for delivery to the Holder a new Private Placement Definitive Warrant, in an amount equal to, and in exchange for, the unexercised portion of the Private Placement Definitive Warrant being surrendered. Notwithstanding any other provision set out herein, Private Placement

Definitive Warrants may only be exercised in a notional amount of at least U.S. \$250,000, and the remaining unexercised portion thereof must be at least U.S. \$250,000.

In the case of Italian Dematerialised Warrants, upon receipt of an Exercise Notice, the Italian Security Agent shall verify that the person exercising the Warrants is the holder thereof according to the records of Monte Titoli. Subject thereto, Monte Titoli will confirm to the Italian Security Agent the series number and the number of Warrants being exercised and the account details for the payment of the Cash Settlement Amount. Upon such verification, the Italian Security Agent will inform the Issuer thereof. Monte Titoli will on or before the Settlement Date debit the securities account of the relevant Holder with the Warrants being exercised and accordingly reduce the number of Warrants of the relevant series by the cancellation *pro tanto* of the Warrants so exercised.

## 25.6 Settlement

### (a) Cash Settled Warrants

If the Warrants are Cash Settled Warrants other than Swedish Dematerialised Warrants, Finnish Dematerialised Warrants or Italian Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, to the Holder's account specified in the relevant Exercise Notice for value on the Settlement Date less any Security Expenses.

If the Warrants are Swedish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Sweden on the fourth Business Day immediately prior to the Settlement Date (the "**Swedish Record Date**"). The Swedish Security Agent will pay the Cash Settlement Amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Settlement Date.

If the Warrants are Finnish Dematerialised Warrants, payment of the Cash Settlement Amount (if any) will be made to the persons registered as Holders in the register maintained by Euroclear Finland on the fifth trading day following the Valuation Date (the "**Finnish Record Date**"). The Finnish Security Agent will pay the Cash Settlement Amount on the third Business Day following the Finnish Record Date to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor (if any) or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Central Securities Depositories Regulation, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the Warrants are Italian Dematerialised Warrants, the Issuer shall on the Settlement Date pay or cause to be paid the Cash Settlement Amount (if any) for each duly exercised Warrant or Unit, as the case may be, by credit or transfer to the Holder's account at Monte Titoli for value on the Settlement Date less any

Security Expenses. The Issuer or the Guarantor will be discharged by payment to, or to the order of, Monte Titoli in respect of the amount so paid. Each of the persons shown in the records of Monte Titoli as the holder of a particular amount of the Warrants must look solely to Monte Titoli for his share of each such payment so made to, or to the order of, Monte Titoli.

(b) Physical Delivery Warrants

Subject to payment of the aggregate Exercise Prices and payment of any Security 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 24.3, the Entitlement shall be delivered and evidenced in such manner as set out in the applicable Final Terms.

25.7 Determinations

Any determination as to whether an Exercise Notice is duly completed and in proper form shall be made by (a) in the case of Clearing System Warrants (other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC), the relevant Clearing System (in the case of Dutch Law Warrants or English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants), (b) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, the New York Security Agent, (c) in the case of Private Placement Definitive Warrants, the Definitive Security Agent, (d) in the case of Registered Warrants, the Registrar, in each case, in consultation with the Principal Security Agent or (e) in the case of Italian Dematerialised Warrants, the Italian Security Agent (in consultation with Monte Titoli) and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Security Agents and the relevant Holder. 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 Security Agent or the Issuer, as the case may be, immediately after being delivered or sent to the relevant Clearing System, the New York Security Agent or the Definitive Security Agent or the Italian Security Agent, as the case may be, or, as the case may be, the relevant Account Holder as provided in Condition 25.1 above or the Registrar as provided in Condition 25.3 above, as the case may be, shall be null and void. In the case of Italian Dematerialised Warrants, the Italian Security Agent shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with Monte Titoli, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Italian Security Agents or Monte Titoli shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

If such Exercise Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder or the Registrar or the Italian Security Agent, as the case may be, in consultation with the Principal Security Agent, it shall be deemed to be a new Exercise Notice submitted at the time such correction was delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent, the relevant Account Holder or the Registrar or the Italian Security Agent, as the case may be, and the Principal Security Agent or the Issuer, as the case may be.

If (i) the Warrants are Cash Settled Warrants and Automatic Exercise is not specified as applying in the applicable Final Terms or (ii) the Warrants are Physical Delivery Warrants, 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 24.1(a), in the case of American Style Warrants, or Condition 24.1(b), in the case of European Style Warrants, shall become void.

The relevant Clearing System, the New York Security Agent or the Definitive Security Agent or the Italian Security Agent (in the case of Dutch Law Warrants or English Law Warrants other than English Law Warrants held through Euroclear France) or the relevant Account Holder (in the case of Euroclear France Warrants or Euroclear Netherlands Warrants) or the Registrar, as the case may be, shall use its best efforts promptly to notify the Holder submitting an Exercise Notice if, in consultation with the Principal Security Agent or the Issuer, as the case may be, it has determined that such Exercise Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Security Agents, the Registrar or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

#### 25.8 Delivery of an Exercise Notice

Delivery of an Exercise Notice shall constitute an irrevocable election by the relevant Holder to exercise the Warrants specified. After the delivery of such Exercise Notice, such exercising Holder may not transfer such Warrants.

#### 25.9 Automatic Exercise

- (a) This Condition only applies if the Warrants are Cash Settled Warrants which are not Swedish Dematerialised Warrants, Finnish Dematerialised Warrants or Italian Dematerialised Warrants, Automatic Exercise is specified as applying in the applicable Final Terms and Warrants are automatically exercised as provided in Condition 24.1(a) or Condition 24.1(b).
- (b) Unless otherwise provided in the applicable Final Terms, no Exercise Notice is required to be submitted or any other action required to be taken (in the case of Clearing System Warrants other than Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC) by any relevant Holder of a Warrant in order to receive the Cash Settlement Amount in respect of such Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be. The Issuer shall transfer or cause to be transferred to each Clearing System through which such Warrants are held an amount equal to the aggregate of the Cash Settlement Amounts in respect of the Warrants held in each such Clearing System and each such Clearing System shall, subject to having received such aggregate Cash Settlement Amount, on the Settlement Date credit the account of each Holder of such Warrant(s) in its books with an amount equal to the aggregate Cash Settlement Amount relating to the Warrant(s) held by such Holder and on or before the Settlement Date debit such account with the number of Warrants exercised and in respect of which such Cash Settlement Amount is being paid. Neither the Issuer nor, if applicable, the Guarantor shall have any responsibility for the crediting by the relevant Clearing System of any such amounts to any such accounts.
- (c) Unless otherwise provided in the applicable Final Terms in order to receive the Cash Settlement Amount in respect of a Warrant, or if Units are specified in the applicable Final Terms, a Unit, as the case may be, the relevant Holder must (i) (A) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, deliver by facsimile a duly completed Exercise Notice to the New York Security Agent with a copy to the Principal Security Agent or (B) in the case of Private Placement Definitive Warrants, deliver by facsimile a duly completed Exercise Notice together with the relevant Private Placement Definitive Warrant to



the Definitive Security Agent with a copy to the Principal Security Agent, on any Business Day in New York until not later than 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the day (the "**Cut-off Date**") falling 180 days after (I) the Expiration Date, in the case of American Style Warrants, or (ii) the Actual Exercise Date, in the case of European Style Warrants, or (II) in the case of Registered Warrants, deliver in writing a duly completed Exercise Notice to the Registrar with a copy to the Principal Security Agent, on any Business Day until not later than 10.00 a.m., Tokyo time, on the Cut-off Date (as defined above). The Exercise Notice shall include the applicable information set out in the Exercise Notice referred to in Condition 25.1(a), Condition 25.1(b), Condition 25.1(c), Condition 25.2(a), Condition 25.2(b), Condition 25.2(c), Condition 25.3(a), Condition 25.3(b) or Condition 25.3(c), as applicable. The Business Day during the period from the Expiration Date or the Actual Exercise Date, as the case may be, until the Cut-off Date on which an Exercise Notice is delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or, as the case may be, the relevant Account Holder, or in the case of Registered Warrants, the Registrar, and a copy thereof delivered to the Principal Security Agent is referred to in this Condition 25.9 as the "**Exercise Notice Delivery Date**", provided that, (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC, if the Exercise Notice is received by the New York Security Agent or the copy thereof is received by the Principal Security Agent, in each case, after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date, (b) in the case of Private Placement Definitive Warrants, if the Exercise Notice is received by the Definitive Security Agent or the copy thereof received by the Principal Security Agent after 5.00 p.m., New York City time, on any Business Day in New York, such Exercise Notice shall be deemed to have been delivered on the next Business Day in New York, and the Business Day in New York immediately succeeding such next Business Day in New York shall be deemed to be the Exercise Notice Delivery Date and (iii) in the case of Registered Warrants, if the Exercise Notice is received by the Registrar or the copy thereof received by the Principal Security Agent after 10.00 a.m., Tokyo time, on any Business Day, such Exercise Notice shall be deemed to have been delivered on the next Business Day, which Business Day shall be deemed to be the Exercise Notice Delivery Date.

Subject to the relevant Holder performing its obligations in respect of the relevant Warrant or Unit, as the case may be, in accordance with these Conditions, the Settlement Date for such Warrants or Units, as the case may be, shall be the fifth Business Day following the Exercise Notice Delivery Date. In the event that a Holder does not, where applicable, so deliver an Exercise Notice in accordance with this Condition 25.9 prior to (a) in the case of Warrants represented by a Rule 144A Global Warrant held by a Custodian on behalf of DTC or Private Placement Definitive Warrants, 5.00 p.m., New York City time, on the Business Day in New York immediately preceding the Cut-off Date or (b) in the case of Registered Warrants, 10.00 a.m., Tokyo time, on the Cut-off Date, the Issuer's obligations in respect of such Warrants shall be discharged and no further liability in respect thereof shall attach to the Issuer or the Guarantor, if any. For the avoidance of doubt, a Holder shall not be entitled to any payment, whether of interest or otherwise, in respect of the period from the Actual Exercise Date to the Settlement Date.

#### 25.10 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, the Guarantor, if any, the Registrar or the Security Agents 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, the Guarantor, if any, or the Agents shall under any circumstances be liable for any acts or defaults of the relevant Clearing System or, as the case may be, the relevant Account Holder in relation to the performance of its duties in relation to the Warrants.

## **26. MINIMUM AND MAXIMUM NUMBER OF WARRANTS EXERCISABLE**

### **26.1 American Style Warrants**

This Condition 26.1 applies only to American Style Warrants.

- (a) The number of Warrants exercisable by any Holder on any Actual Exercise Date or, in the case of Automatic Exercise, the number of Warrants held by any Holder on any Actual Exercise Date, in each case as determined by the Issuer, must not be less than the Minimum Exercise Number 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.
- (b) If the Issuer determines that the number of Warrants being exercised on any Actual Exercise Date by any Holder or a group of Holders (whether or not acting in concert) exceeds the Maximum Exercise Number (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 Exercise 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 are exercised on the same day by Holder(s), the order of settlement in respect of such Warrants shall be at the sole discretion of the Issuer.

### **26.2 European Style Warrants**

This Condition 26.2 applies only to European Style Warrants.

The number of Warrants exercisable by any Holder on the Exercise Date, as determined by the Issuer, must be equal to the Minimum Exercise Number 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.

## **27. TERMS APPLICABLE TO CERTIFICATES ONLY**

Conditions 28 to 36 apply to Certificates only.

## **28. DEFINITIONS**

"**Averaging Date**" means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices (each as defined in Annex 1)), Share Securities, ETI Securities, Debt Securities, Fund Securities, Market Access Securities, Futures Securities or Listed Option

Securites, each date specified as an Averaging Date in the applicable Final Terms or, if any such date is not a Scheduled Trading Day, the immediately following Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day. If any such day is a Disrupted Day, then:

- (i) if "**Omission**" is specified as applying in the applicable Final Terms, then such date will be deemed not to be an Averaging Date for the purposes of determining the relevant Settlement Price provided that, if through the operation of this provision no Averaging Date would occur, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on the final Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day; or
- (ii) if "**Postponement**" is specified as applying in the applicable Final Terms, then the provisions of the definition of "Valuation Date" will apply for the purposes of determining the relevant level, price or amount on that Averaging Date as if such Averaging Date were a Valuation Date that was a Disrupted Day irrespective of whether, pursuant to such determination, that deferred Averaging Date would fall on a day that already is or is deemed to be an Averaging Date; or
- (iii) if "**Modified Postponement**" is specified as applying in the applicable Final Terms, then:
  - (A) where the Certificates are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Futures Securities relating to single Future or Listed Option Securities relating to a single Listed Option Contract, the Averaging Date shall be the first succeeding Valid Date (as defined below). If the first succeeding Valid Date has not occurred for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date), and (II) the Calculation Agent shall determine the relevant level or price for that Averaging Date in accordance with sub-paragraph (a)(i) of the definition of "Valuation Date" below;
  - (B) where the Certificates are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket of ETI Interests, Futures Securities relating to a Basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts, the Averaging Date for each Index, Share, ETI Interest, Future or Listed Option Contract not affected by the occurrence of a Disrupted Day shall be the originally designated Averaging Date (the "**Scheduled Averaging Date**") and the Averaging Date for each Index, Share, ETI Interest or Future affected by the occurrence of a Disrupted Day shall be the first succeeding Valid Date (as defined below) in relation to such Index, Share, ETI Interest, Future or Listed Option Contract. If the first succeeding Valid Date in relation to such Index, Share, ETI Interest, Future or Listed Option Contract has not occurred

for a number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date, then (I) that last such consecutive Scheduled Trading Day shall be deemed the Averaging Date (irrespective of whether that last such consecutive Scheduled Trading Day is already an Averaging Date) in respect of such Index, Share, ETI Interest or Future, and (II) the Calculation Agent shall determine the relevant level, price or amount for that Averaging Date in accordance with sub-paragraph (a)(ii) of the definition of "Valuation Date" below; and

- (C) where the Certificates are Debt Securities, Fund Securities or Market Access Securities, provisions for determining the Averaging Date in the event of Modified Postponement applying will be set out in the applicable Final Terms; or
- (b) in the case of Commodity Securities, each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent, any such day is a day on which a Market Disruption Event has occurred or is continuing, in which case the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) shall apply; or
- (c) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day (or such other notice period specified in the applicable Final Terms) preceding the contemplated Averaging Date;

**"Cash Settlement Amount"** means, in relation to Cash Settled Certificates, the amount to which the Holder is entitled in the Settlement Currency in relation to each such Certificate, as determined by the Calculation Agent pursuant to the provisions set out in the applicable Final Terms or the following provisions:

- (a) where "Turbo Call Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:
  - (i) if no Knock-out Event has occurred, (the Settlement Price minus the Strike Price) divided by the Parity; or
  - (ii) if a Knock-out Event has occurred, zero;
- (b) where "Turbo Put Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:
  - (i) if no Knock-out Event has occurred, (the Strike Price minus the Settlement Price) divided by the Parity; or
  - (ii) if a Knock-out Event has occurred, zero;
- (c) where "Turbo Pro Call Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Amount shall be equal to:

- (i) if no Knock-in Event has occurred, the Issue Price; or
  - (ii) (A) if a Knock-in Event has occurred and no Knock-out Event has occurred, (the Settlement Price minus the Strike Price) divided by the Parity, and (B) if a Knock-in Event and a Knock-out Event have each occurred, zero; or
- (d) where "Turbo Pro Put Certificate" is specified in the applicable Final Terms in respect of Cash Settled Certificates, then the Cash Settlement Amount shall be equal to:
- (i) if no Knock-in Event has occurred, the Issue Price; or
  - (ii) (A) if a Knock-in Event has occurred and no Knock-out Event has occurred, (the Strike Price minus the Settlement Price) divided by the Parity, and (B) if a Knock-in Event and a Knock-out Event have each occurred, zero.

The Cash Settlement Amount shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention or as may be specified in the applicable Final Terms.

**"Cut-off Date"** means the date specified as such in the applicable Final Terms or if not so set out (a) in respect of Physical Delivery Certificates that are not Credit Certificates, the third Business Day immediately preceding the Redemption Date or (b) in respect of Credit Certificates, the first Business Day following receipt of the relevant Notice of Physical Settlement;

**"English Law Certificates"** means the Certificates specified in the applicable Final Terms as being governed by English law;

**"Entitlement"** means in relation to a Physical Delivery Certificate (other than a Credit Certificate), the quantity of the Relevant Asset or the Relevant Assets, as the case may be, which a Holder is entitled to receive on the Redemption Date in respect of each such Certificate following payment of any sums payable (including Expenses as defined in Condition 11 rounded down as provided in Condition 35.2(d) as determined by the Calculation Agent including any documents evidencing such Entitlement;

**"Exercise Settlement Date"** is the date specified as such in the applicable Final Terms;

**"Finnish Dematerialised Certificates"** means Certificates in registered, uncertified and dematerialised book-entry form in accordance with the provisions of the Central Securities Depositories Regulation, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)), accepted by Euroclear Finland for clearing and registration in the Euroclear Finland System;

**"French Law Certificates"** means the Certificates specified in the applicable Final Terms as being governed by French law;

**"Italian Dematerialised Certificates"** means Exercisable Certificates issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli pursuant to Italian legislative decree no. 58/1998 as amended and integrated by subsequent implementing provisions;

**"Italian Certificates"** means Exercisable Certificates which are listed and admitted to trading on the Multilateral Trading Facility (the **"EuroTLX"**), organised and managed by EuroTLX Sim S.p.A.;

**"Observation Date"** means:

- (a) in the case of Certificates other than Open End Certificates, each date specified as an Observation Date in the applicable Final Terms. The provisions contained in the definition of "Averaging Date" shall apply *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date"; and
- (b) in the case of Open End Certificates, the date designated as such by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 10 at the latest on the tenth (10th) Business Day (or such other notice period specified in the applicable Final Terms) preceding the contemplated Observation Date;

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

**"Open End Certificate"** means a Certificate in respect of which "Open End" is specified as applicable in the relevant Final Terms and which includes (i) with respect to French Law Securities, (A) an option for the Issuer to redeem each Certificate on a date determined by the Issuer and (B) an option for the Holder to give notice to the Issuer and upon expiry of the Notice Period, the Issuer will redeem each such Certificate on a date determined by the Issuer or (ii) with respect to English Law Securities, (A) an option for the Issuer to redeem each Certificate on a date determined by the Issuer and/or (B) an option for the Holder to give notice to the Issuer and upon expiry of the Notice Period, the Issuer will redeem each such Certificate on a date determined by the Issuer, in either case, subject to the other provisions of these Terms and Conditions;

**"Reference Banks"** means the five major banks selected by the Calculation Agent in the interbank market (or, if applicable, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the euro-zone);

**"Strike Price"** means the price specified as such in the applicable Final Terms;

**"Swedish Dematerialised Certificates"** means Certificates in registered, uncertificated and dematerialised book-entry form in accordance with the SFIA Act accepted by Euroclear Sweden for clearing and registration in the Euroclear Sweden System;

**"Swiss Dematerialised Certificates"** means Certificates in uncertificated and dematerialised form which are entered into the main register (*Hauptregister*) of SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any other such intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary.

**"Swiss Materialised Certificates"** means Certificates represented by a permanent global certificate which will be deposited by the Swiss Security Agent with SIX SIS Ltd or any other intermediary in Switzerland recognised for such purposes by SIX Swiss Exchange Ltd (SIX SIS Ltd or any other intermediary, the **"Intermediary"**) and entered into the accounts of one or more participants of the Intermediary.

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date or another Observation Date does not or is deemed not to occur;

**"Valuation Date"** means:

- (a) in the case of Index Securities (other than Index Securities relating to a Custom Index or Basket of Custom Indices), Share Securities, ETI Securities, Debt Securities, Futures Securities or

Listed Option Securities, unless otherwise specified in the applicable Final Terms, the Interest Valuation Date and/or the Redemption Valuation Date (subject to paragraph (b) below in respect of Open End Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day. If such day is a Disrupted Day, then:

- (i) where the Certificates are Index Securities relating to a single Index, Share Securities relating to a single Share, ETI Securities relating to a single ETI Interest, Debt Securities relating to a single Debt Instrument, Futures Securities relating to a single Future or Listed Option Securities relating to a single Listed Option Contract, the Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day. In that case, (A) the last such consecutive Scheduled Trading Day shall be deemed to be the Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall determine the 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:
  - (A) in the case of Index Securities, by determining the level of the Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in the Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (B) in the case of Share Securities, ETI Securities, Debt Securities, Futures Securities, or Listed Option Securities, in accordance with its good faith estimate of the Settlement Price as of the Valuation Time on the last such consecutive Scheduled Trading Day; or
- (ii) where the Certificates are Index Securities relating to a Basket of Indices, Share Securities relating to a Basket of Shares, ETI Securities relating to a Basket comprised of ETI Interests, Debt Securities relating to a Basket of Debt Instruments, Futures Securities relating to a basket of Futures or Listed Option Securities relating to a Basket of Listed Option Contracts, the Valuation Date for each Index, Share, ETI Interest, Debt Instrument, Future or Listed Option Contract, as the case may be, not affected by the occurrence of a Disrupted Day shall be the Scheduled Valuation Date, and the Valuation Date for each Index, Share, ETI Interest, Debt Instrument, Future or Listed Option Contract affected, as the case may be, (each an "**Affected Item**") by the occurrence of a Disrupted Day shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day relating to the Affected Item unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Valuation Date is a Disrupted Day relating to the Affected Item. In that case, (i) the last such consecutive Scheduled

Trading Day shall be deemed to be the Valuation Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Settlement Price using, in relation to the Affected Item, the level or value as applicable, determined in the manner set out in the applicable Final Terms or, if not set out or if not practicable, using:

- (A) in the case of an Index, the level of that Index as of the Valuation Time on the last such consecutive Scheduled Trading Day in accordance with the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the last such consecutive Scheduled Trading Day of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that last such consecutive Scheduled Trading Day, its good faith estimate of the value for the relevant security as of the Valuation Time on the last such consecutive Scheduled Trading Day); or
  - (B) in the case of a Share, ETI Interest, Debt Security, Future or Listed Option Contract, its good faith estimate of the value for the Affected Item as of the Valuation Time on that last such consecutive Scheduled Trading Day,
- (b) in the case of Open End Certificates and for the purposes of the "Provisions relating to Valuation on Redemption" set out in the applicable Final Terms, the date designated as the Redemption Valuation Date by the Issuer in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with Condition 13 at the latest on the tenth (10th) Business Day or such other notice period specified in the applicable Final Terms preceding the contemplated Redemption Valuation Date; and
- (c) in the case of Commodity Securities, the Final Pricing Date,
- and otherwise in accordance with the above provisions; and

**"Valuation Time"** means:

- (a) the Interest Valuation Time or the Valuation Time, as the case may be, specified in the applicable Final Terms; or
  - (i) in the case of Index Securities relating to a Composite Index, unless otherwise specified in the applicable Final Terms, (A) for the purposes of determining whether a Market Disruption Event has occurred: (x) in respect of any Component Security, the Scheduled Closing Time on the Exchange in respect of such Component Security, and (y) in respect of any options contracts or futures contracts on such Index, the close of trading on the Related Exchange; and (B) in all other circumstances, the time at which the official closing level of such Index is calculated and published by the Index Sponsor; or
  - (ii) in the case of Index Securities relating to Indices other than Composite Indices, Share Securities or ETI Securities unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time on the relevant Exchange on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each Index, Share or ETI Interest to be valued, provided that if the relevant Exchange closes prior to its Scheduled Closing Time and the specified Interest Valuation Time



or Valuation Time, as the case may be, is after the actual closing time for its regular trading session, then the Interest Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time; or

- (iii) in the case of Share Securities relating to Shares in respect of which "China Connect" is specified as applicable in the applicable Final Terms and unless otherwise specified in the applicable Final Terms, the Scheduled Closing Time of the China Connect Service on the relevant Strike Date, Valuation Date, Observation Date or Averaging Date, as the case may be, in relation to each such Share to be valued, provided that, if the China Connect Service closes prior to its Scheduled Closing Time and the specified Interest Valuation Time or Valuation Time, as the case may be, is after the actual closing time for its regular order routing session, then the Interest Valuation Time or the Valuation Time, as the case may be, shall be such actual closing time.

## 29. FORM OF CERTIFICATES

English Law Certificates (other than Swedish Dematerialised Certificates, Finnish Dematerialised Certificates, Italian Dematerialised Certificates and Swiss Dematerialised Certificates) are represented by (i) a permanent global certificate, (ii) a Rule 144A Global Certificate (as defined below), (iii) a Regulation S Global Certificate (as defined below), (iv) Private Placement Definitive Certificates (as defined below) or (v) certificates in registered form ("**Registered Certificates**"), as specified in the applicable Final Terms. Except as provided herein, no Certificates in definitive form will be issued.

English Law Certificates that are Swedish Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Swedish Financial Instruments Accounts Act 1998 (*Sw.: Lag (1998:1479) om kontoföring av finansiella instrument*) (the "**SFIA Act**"). Swedish Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Finnish Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form in accordance with the Central Securities Depositories Regulation, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä a selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)). Finnish Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Italian Dematerialised Certificates will be issued in registered, uncertificated and dematerialised book-entry form into Monte Titoli S.p.A. ("**Monte Titoli**") pursuant to Italian legislative decree no. 58/1998, as amended and implemented and subsequent implementing provisions. Italian Dematerialised Certificates will not be issued in definitive form.

English Law Certificates that are Swiss Materialised Certificates will be represented by a permanent global certificate which will be deposited by the Swiss Security Agent with the Intermediary. Upon the permanent global certificate being deposited with the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Materialised Certificates will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*).

English Law Certificates that are Swiss Dematerialised Certificates will be issued in uncertificated and dematerialised form and will be entered into the main register (*Hauptregister*) of the Intermediary. Upon being registered in the main register (*Hauptregister*) of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Dematerialised Certificates will constitute intermediated securities (*Bucheffekten*) in accordance with the provisions of the Swiss Federal

Intermediated Securities Act (*Bucheffektengesetz*). Swiss Dematerialised Certificates will not be issued in definitive form.

In the event that the applicable Final Terms specify that Certificates are eligible for sale in the United States ("**U.S. Certificates**") (such eligibility to be pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended (the "**Securities Act**")), (A) the U.S. Certificates sold in the United States to qualified institutional buyers ("**QIBs**") within the meaning of Rule 144A ("**Rule 144A**") under the Securities Act ("**Rule 144A Certificates**") will be represented by one or more Rule 144A global certificates (each, a "**Rule 144A Global Certificate**"), (B) the U.S. Certificates sold in the United States to certain institutional accredited investors ("**AI**s") (as defined in Rule 501(a)(1), (2), (3), (7), (8) or (9) of Regulation D under the Securities Act) will be constituted by private placement definitive certificates (the "**Private Placement Definitive Certificates**"), (C) the U.S. Certificates sold in the United States by BNPP B.V. to QIBs who are qualified purchasers ("**QPs**") as defined under the Investment Company Act 1940 will be represented by a Rule 144A Global Certificate and (D) in any such case, the U.S. Certificates sold outside the United States to persons that are not (i) a "U.S. person" as defined in Regulation S under the Securities Act ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act of 1936, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in (a) the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**") or (b) the final rule relating to Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants promulgated by the CFTC, in each case as amended, modified or supplemented from time to time, pursuant to the Commodity Exchange Act; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act (each such person, a "**U.S. person**") will be represented by one or more Regulation S global certificates (each, a "**Regulation S Global Certificate**"). References herein to a "**Clearing System Global Certificate**" means, as the context so requires, a Rule 144A Global Certificate, a Regulation S Global Certificate or the Permanent Global Certificate, representing the Certificates and Certificates represented by a Clearing System Global Certificate are referred to herein as "**Clearing System Certificates**".

In the event that the Final Terms does not specify that Certificates are eligible for sale in the United States or to U.S. persons, the Certificates offered and sold outside the United States to persons that are not U.S. persons in reliance on Regulation S may not be legally or beneficially owned at any time by any U.S. person and will be represented by a Regulation S Global Certificate or a Permanent Global Certificate or will be Registered Certificates, as the case may be.

In the event that the Certificates are constituted by a Clearing System Global Certificate other than a Rule 144A Global Certificate, the Clearing System Global Certificate will be deposited with (i) a depositary (the "**Common Depositary**") common to Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and Euroclear Bank S.A./N.V. ("**Euroclear**") and/or any other relevant Clearing System, (ii) in the case of English Law Certificates held through Euroclear France, with Euroclear France, or (iii) in the case of Certificates to be issued and cleared through Monte Titoli, other than Italian Dematerialised Certificates, Monte Titoli, in each case in accordance with the rules and regulations of the relevant Clearing System(s). If the Clearing System specified in the Final Terms is Iberclear, the term Common Depositary and/or Custodian shall be deemed to refer to the foreign custodian (*Entidad Custodia*) or Iberclear Participant (*Entidad Miembro de Iberclear*), as the case may be, appointed in accordance with the rules and regulations of Iberclear. Certificates represented by a Rule 144A Global Certificate will be either (i) deposited with a custodian (a "**Custodian**") for, and registered in the name of a nominee of, The Depository Trust Company ("**DTC**"), or (ii) issued and

deposited with the Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System.

Registered Certificates will be offered and sold in reliance on Regulation S and will be sold to persons that are not U.S. persons outside the United States. Registered Certificates will initially be represented by a global certificate in registered form (a "**Registered Global Certificate**"). The Registered Global Certificate will be deposited with a common depositary for, and registered in the name of a common nominee of, Euroclear and Clearstream, Luxembourg and/or any other relevant Clearing System.

Interests in a Registered Global Certificate will be exchangeable (free of charge), in whole but not in part, for definitive Registered Certificates only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that the Issuer has been notified that Euroclear and Clearstream, Luxembourg or any other relevant Clearing System, as the case may be, have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The Issuer will promptly give notice to Holders in accordance with Condition 10 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg or any other relevant Clearing System, as the case may be, (acting on the instructions of any holder of an interest in such Registered Global Certificate) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the Registrar.

Interests in a Rule 144A Global Certificate and a Regulation S Global Certificate may be exchanged for interests in the other Global Certificates and for Private Placement Definitive Certificates and Private Placement Definitive Certificates may be exchanged for an interest in a Rule 144A Global Certificate or Regulation S Global Certificate only as described herein. Interests in a Clearing System Global Certificate or a Private Placement Definitive Certificate may not be exchanged for interests in a Registered Certificate and interests in a Registered Certificate may not be exchanged for interests in a Clearing System Global Certificate or a Private Placement Definitive Certificate.

Each of the Clearing System Global Certificate and the Registered Global Certificate is referred to in these Terms and Conditions as a "**Global Certificate**". The applicable Final Terms (or the relevant provisions thereof) will be attached to such Global Certificate.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, if DTC notifies BNPP that it is unwilling or unable to continue as a depositary for that Global Certificate or if at any time DTC ceases to be a "clearing agency" registered under the Exchange Act as amended, and a successor depositary is not appointed by BNPP within 90 days of such notice, BNPP will deliver Certificates in definitive registered form (bearing such legends as may be required by BNPP) in exchange for that Rule 144A Global Certificate. Except in these circumstances, owners of beneficial interests in a Rule 144A Global Certificate held by a Custodian on behalf of DTC will not be entitled to have any portion of such Certificates registered in their name and will not receive or be entitled to receive physical delivery of registered Certificates in definitive form in exchange for their interests in that Rule 144A Global Certificate. Transfer, exercise, settlement and other mechanics related to any Certificates issued in definitive form in exchange for Certificates represented by such Rule 144A Global Certificate shall be as agreed between BNPP and the New York Security Agent.

French Law Certificates are issued in dematerialised form (*au porteur*) (such Certificates hereinafter also referred to as "**Clearing System Certificates**"). No physical document of title (including *certificats représentatifs* pursuant to Article R.211-7 of the French *Code monétaire et financier*) will be issued in respect of French Law Certificates.

### 30. TYPE (CERTIFICATES)

The applicable Final Terms will indicate whether settlement shall be by way of cash payment ("**Cash Settled Certificates**") or physical delivery ("**Physical Delivery Certificates**"), whether Cash Settled Certificates are redeemable in instalments and whether Averaging ("**Averaging**") will apply to the Certificates. If so specified in the applicable Final Terms, interest shall be payable in respect of the Certificates.

If the Certificates are Swedish Dematerialised Certificates, they will be Cash Settled Certificates.

If the Certificates are Finnish Dematerialised Certificates, they will be Cash Settled Certificates.

If the Certificates are Italian Dematerialised Certificates, they will be Cash Settled Certificates and Automatic Exercise will apply.

The applicable Final Terms will indicate if the Certificates are exercisable, if so whether Multiple Exercise applies and the relevant Exercise Date(s).

### 31. TITLE AND TRANSFER OF REGISTERED CERTIFICATES

Subject as provided below, title to the Registered Certificates will pass upon the registration of transfers in accordance with the provisions of the Agency Agreement.

For so long as the Certificates are represented by a Registered Global Certificate held on behalf of Euroclear and/or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, each person (other than Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as the holder of a particular amount of such Certificates (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, as to the amount of Certificates standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor (if any) and the Security Agents as the holder of such amount of such Certificates for all purposes other than with respect to the payment of principal and/or interest with respect to such Certificates for which purpose the registered holder of the relevant Registered Global Certificate shall be treated by the Issuer, the Guarantor (if any) and the Security Agents as the holder of such amount of such Certificates in accordance with and subject to the terms of the relevant Registered Global Certificate (and the expressions "**Holder**" and "**holder of Certificates**" and related expressions shall be construed accordingly).

Transfers of beneficial interests in Registered Global Certificates will be effected by Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be, and, in turn, by other participants and, if applicable, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. Title will pass upon registration of the transfer in the books of Euroclear or Clearstream, Luxembourg and/or any other relevant Clearing System, as the case may be.

Upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Certificate in definitive form may be transferred in whole or in part. In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Certificate for registration of the transfer of the Registered Certificate (or the relevant part of the Registered Certificate) at the specified office of the Registrar or any Security Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other

certifications as may be required by the Registrar or, as the case may be, the relevant Security Agent and (ii) the Registrar or, as the case may be, the relevant Security Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 15 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Security Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Security Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Certificate in definitive form of a like amount to the Registered Certificate (or the relevant part of the Registered Certificate) transferred. In the case of the transfer of part only of a Registered Certificate in definitive form, a new Registered Certificate in definitive form in respect of the balance of the Registered Certificate not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration or exchange in the jurisdiction of the Issuer or in any other jurisdiction where the Registrar's specified office is located.

Registered Certificates and interests therein may not be transferred at any time, directly or indirectly, in the United States or to or for the benefit of a U.S. person, and any such transfer shall not be recognised.

## 32. INTEREST (CERTIFICATES)

If so specified in the applicable Final Terms the Certificates will pay interest, such interest to be calculated on the basis of a fixed rate of interest ("**Fixed Rate Certificates**"), a floating rate of interest ("**Floating Rate Certificates**") or by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Currency, Commodity, Inflation Index, Fund Share, Futures or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Interest Certificates**");

### (a) Interest on Fixed Rate Certificates

Each Fixed Rate Certificate pays interest calculated from (and including) the Interest Commencement Date at the rate(s) (specified per annum or otherwise) equal to the Rate(s) of Interest. Interest will accrue in respect of each Interest Period (which expressions shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment date falls after the Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date. If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (i) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (ii) if any Interest Period End Date or Interest Payment Date, as the case may be, would

otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (i) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (ii) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (iii) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

If no Business Day Convention is specified as applicable to an Interest Period End Date in the applicable Final Terms except as provided in the applicable Final Terms the amount of interest payable on each Interest Payment Date in respect of the Interest Period ending on (but excluding) the Interest Period End Final Date in respect of such Interest Period will amount to the Fixed Coupon Amount.

Interest shall be calculated by applying the Rate of Interest to the Notional Amount of each Certificate and multiplying such sum by the applicable Day Count Fraction. The resultant figure shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

"**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 Certificates and Linked Interest Certificates

(i) Interest, Interest Periods and Business Day Convention

Each Floating Rate Certificate and, subject to the provisions of Condition 32(c) and unless otherwise specified in the applicable Final Terms, each Linked Interest Certificate pays interest (or, if it is a Partly Paid Certificate, in accordance with Condition 32(e) in respect of each Interest Period (which expression shall in these Terms and Conditions mean the period from (and including) an Interest Period End Date (or if none the Interest Commencement Date) to (but excluding) the next (or first) Interest Period End Date (each such latter date the "**Interest Period End Final Date**" for the relevant Interest Period)). For the purposes of this Condition 32(b), "**Interest Period End Date**" shall mean either: (A) the Interest Period End Date(s) in each year specified in the applicable Final Terms or (B) if no Interest Period End Date(s) is/are specified in the applicable Final Terms, each date which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Period End Date or, in the case of the first Interest Period End Date, after the Interest Commencement Date.

Interest will be payable in arrears on the Interest Payment Date(s) in each year up to (and including) the Redemption Date. If an Interest Payment Date falls after an Interest Period End Final Date in respect of the relevant Interest Period, no additional interest or other amount shall be payable as a result of such interest being payable on such later date.

If a Business Day Convention is specified in the applicable Final Terms as applying to an Interest Period End Date or an Interest Payment Date and (I) if there is no numerically corresponding day on the calendar month in which an Interest Period End Date or Interest Payment Date, as the case may be, should occur or (II) if any Interest Period End Date or Interest Payment Date, as the case may be, would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 32(b)(ii) below, the Floating Rate Convention, such Interest Period End Date or Interest Payment Date, as the case may be, (i) in the case of sub-paragraph (i) above, shall be the last day that is a Business Day in the relevant month and the provisions of sub-paragraph (iv) below shall apply *mutatis mutandis* or (ii) in the case of sub-paragraph (ii) below, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Period End Date or Interest Payment Date, as the case may be, shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Period End Date or Interest Payment Date, as the case may be, occurred; or
- (B) the Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Period End Date or Interest Payment Date, as the case may be, shall be brought forward to the immediately preceding Business Day.

(ii) Rate of Interest

The Rate of Interest payable from time to time in respect of Floating Rate Certificates and Linked Interest Certificates 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 Calculation Agent (as defined in the ISDA Definitions (as defined below)) under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions as published by the International Swaps and Derivatives Association Inc. and as amended and updated as at the Issue Date of the Certificates (the "**ISDA Definitions**") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is either (I) if the applicable Floating Rate Option is based on the Euro-zone inter-bank offered rate ("**EURIBOR**") (or, in the event that EURIBOR has been discontinued, such other successor benchmark rate as the financial industry shall have accepted as a successor or substitute rate for EURIBOR, 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**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(iv) FBF Determination

Where so specified in the applicable Final Terms, interest will be payable on such dates, at such a rate (the "**FBF Rate**") and in such amounts, plus or minus (as indicated in the applicable Final Terms) the Margin (if any), as would have been payable (regardless of any event of default or termination event thereunder) by the Issuer if it had entered into an interest rate swap transaction governed by an agreement in the form of the Master Agreement relating to transactions on forward financial instruments (an "**FBF Agreement**"), as in effect on the date of issue of the Certificates, published by the *Fédération Bancaire Française* and evidenced by a Confirmation (as defined in the FBF Agreement) with the holder of the relevant Certificate under which:

- (A) the Issuer was the Floating Amount Payer;
- (B) the Principal Security Agent (as defined herein) was the Agent (as defined in the FBF Agreement) or as otherwise specified in the applicable Final Terms;
- (C) the Interest Commencement Date was the Transaction Date;
- (D) the Notional Amount in respect of a Certificate was the Notional Amount;
- (E) the Interest Payment Dates were the Floating Amount Payment Dates; and



(F) all other terms were as specified in the applicable Final Terms.

When the preceding sentence applies, in respect of each relevant Interest Payment Date:

- I. the amount of interest determined for such Interest Payment Date will be the Interest Amount for the relevant Interest Period for the purposes of these Terms and Conditions as though determined under sub-paragraph (vi) below;
- II. the Rate of Interest for such Interest Period will be the Floating Rate (as defined in the FBF Agreement) determined by the Principal Security Agent in accordance with the preceding sentence; and
- III. the Principal Security Agent will be deemed to have discharged its obligations under sub-paragraph (vi) below if it has determined the Rate of Interest and the Interest Amount payable on such Interest Payment Date in the manner provided in the preceding sentence.

(v) Screen Rate Determination

(A) EURIBOR or STIBOR

- I. Where "Screen Rate Determination – IBOR" 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:
  - (1) the offered quotation; or
  - (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

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

- II. If the Relevant Screen Page is not available or if, in the case of sub-paragraph I(1), no offered quotation appears on the Relevant

Screen Page (or such replacement page on that service which displays the information) or, in the case of sub-paragraph I(2), fewer than three offered quotations appear on the Relevant Screen Page (or such replacement page on that service which displays the information), in each case as at the Specified Time, except as provided in paragraph III below the Calculation Agent shall request each of the Reference Banks to provide the Calculation Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Calculation Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the nearest 0.001 with 0.0005 being rounded upwards) of the relevant quotations, eliminating the highest quotation (or in the event that two or more quotations are identical, one of the highest) and the lowest (or in the event that two or more quotations are identical, one of the lowest), plus or minus (as applicable) the Margin (if any), all as determined by the Calculation Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Calculation Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Calculation Agent determines as being the arithmetic mean (rounded if necessary to the nearest 0.001, with 0.0005 being rounded upwards) of the rates per annum, as communicated to the Calculation Agent by the Reference Banks or any two or more of them, at which such banks were offered, at the Specified Time on the relevant Interest Determination Date, deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the inter-bank market plus or minus (as applicable) the Margin (if any).

If fewer than two of the Reference Banks provide the Calculation Agent with offered rates, the Rate of Interest for the relevant Interest Period shall be the offered rate for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Settlement Currency for a period equal to that which would have been used for the Reference Rate, at which, at 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 Calculation Agent suitable for the purpose) informs the Calculation Agent it is quoting to leading banks in the inter-bank market applicable to the Reference Rate (which will be the Euro zone inter bank market, if the Reference Rate is EURIBOR or the Stockholm inter bank market, if the Reference Rate is STIBOR), plus or minus (as applicable) the Margin (if any), as determined by the Calculation Agent.

If the Rate of Interest cannot be determined in accordance with the provisions of paragraph II, the Rate of Interest shall be equal to the last Reference Rate available on the Relevant Screen Page plus or minus (as appropriate) the Margin (if any), as determined by the Calculation Agent, except that if the Calculation Agent determines that the absence of the quotation is due to the discontinuation of the Screen Page Reference Rate or the occurrence of a Reference Rate Fallback Event, then the Reference Rate will be determined in accordance with paragraph III below.

- III. If the Calculation Agent determines at any time prior to any Interest Determination Date, that the Screen Page Reference Rate has been discontinued or a Reference Rate Fallback Event has occurred, the Calculation Agent will use, as a substitute for the Screen Page Reference Rate, an alternative reference rate determined by the Calculation Agent to be the alternative reference rate selected by the central bank, reserve bank, monetary authority or any similar institution (including any committee or working group thereof) in the jurisdiction or region of the Settlement Currency (each a "**Relevant Nominating Body**") that is consistent with industry accepted standards, provided that, if two or more alternative reference rates are selected by any Relevant Nominating Body, the Issuer or the Calculation Agent, as applicable, shall determine which of those alternative reference rates is most appropriate to preserve the economic features of the relevant Securities. If the Calculation Agent notifies the Issuer that it is unable to determine such an alternative reference rate, the Calculation Agent will as soon as reasonably practicable (and in any event before the Business Day prior to the applicable Interest Determination Date) appoint an agent (the "**Reference Rate Determination Agent**"), which will determine whether a substitute or successor rate, which is substantially comparable to the Screen Page Reference Rate, is available for the purpose of determining the Reference Rate on each Interest Determination Date falling on or after the date of such determination. If the Reference Rate Determination Agent determines that there is an industry accepted successor rate, the Reference Rate Determination Agent will notify the Issuer of such successor rate to be used by the Calculation Agent to determine the Rate of Interest.

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

- (1) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will also determine the changes (if any) required to the applicable Business Day Convention,

the definition of Business Day, the Interest Determination Date, the Day Count Fraction, and any method for obtaining the Replacement Reference Rate, including any adjustment needed to make such Replacement Reference Rate comparable to the Screen Page Reference Rate, including, where applicable, to reflect any increased costs of the Issuer providing such exposure to the Replacement Reference Rate, in each case acting in good faith and in a commercially reasonable manner that is consistent with industry-accepted practices for such Replacement Reference Rate;

- (2) references to the Reference Rate in these Conditions will be deemed to be references to the relevant Replacement Reference Rate, including any alternative method for determining such rate as described in sub-paragraph (1) above;
- (3) the Reference Rate Determination Agent or the Calculation Agent, as applicable, will notify the Issuer of the Replacement Reference Rate, and the details described in sub-paragraph (1) above, as soon as reasonably practicable; and
- (4) the Issuer will give notice to the Holders in accordance with Condition 10, the Principal Security Agent and the Calculation Agent of the Replacement Reference Rate, and the details described in sub-paragraph (1) above as soon as reasonably practicable but in any event no later than 5:00 p.m. (London time) on the Business Day prior to the applicable Interest Determination Date.

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

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

If the relevant Reference Rate Fallback Event may also constitute an Administrator/Benchmark Event in the determination of the Calculation Agent pursuant to Condition 15.1, the provisions of this Condition 32(b)(v)(A) will apply.

Notwithstanding anything to the contrary in the provisions of (and all provisions referred to in) this Condition 32(b)(v)(A), the Issuer, the Calculation Agent or Reference Rate Determination Agent (as applicable) may make all determinations and/or adjustments and take all actions in respect of the Securities as are provided for in connection with a Reference Rate Fallback Event or Administrator/Benchmark Event, as applicable, notwithstanding that such Reference Rate Fallback Event or Administrator/Benchmark Event, as applicable, may have occurred before the Issue Date of the Securities.

(B) SONIA

Where "Screen Rate Determination – SONIA" is specified in the applicable Final Terms as the manner in which a Rate of Interest is to be determined, such Rate of Interest for each Interest Period will be calculated in accordance with Condition 32(b)(v)(B)I or 32(b)(v)(B)II below, subject to the provisions of Condition 32(b)(v)(B)IV.

- I. Where the Calculation Method is specified in the applicable Final Terms as being "Compounded Daily", the Rate of Interest for each Interest Period will be the Compounded Daily SONIA plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.
- II. Where the Calculation Method is specified in the applicable Final Terms as being "Weighted Average", the Rate of Interest for each Interest Period will be the Weighted Average SONIA plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.
- III. The following definitions shall apply for the purpose of this Condition 32(b)(v)(B):

**"Compounded Daily SONIA"** means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Sterling (with the daily Sterling overnight reference rate as the reference rate for the calculation of interest) calculated by the

Calculation Agent on the relevant Interest Determination Date in accordance with the following formula:

- (x) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms:

$$[\prod_{i=1}^{d_0} (1 + \frac{\text{SONIA}_{i-\text{pLBD} \times n_i}}{365}) - 1] \times \frac{365}{d};$$

- (y) if "Shift" is specified as the Observation Method in the applicable Final Terms:

$$[\prod_{i=1}^{d_0} (1 + \frac{\text{SONIA}_i \times n_i}{365}) - 1] \times \frac{365}{d}; \text{ or}$$

- (z) if "SONIA Index with Observation Shift" is specified as the Observation Method in the applicable Final Terms:

$$\left( \frac{\text{SONIA Index}_{\text{Final}}}{\text{SONIA Index}_{\text{Initial}}} - 1 \right) \times \frac{365}{d},$$

where, in each case, the resulting percentage will be rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards;

"**d**" means the number of calendar days (x) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, in the relevant Interest Period, (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, in the relevant Observation Lookback Period or (z) if "SONIA Index with Observation Shift" is specified in the applicable Final Terms, from (and including) the day in relation to which SONIA Index<sub>Initial</sub> is determined to (but excluding) the day in relation to which SONIA Index<sub>Final</sub> is determined;

"**d<sub>0</sub>**" means, (x) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, in respect of an Interest Period, the number of London Business Days in such Interest Period or (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, in respect of an Observation Lookback Period, the number of London Business Days in such Observation Lookback Period;

"**i**" means a series of whole numbers from one to **d<sub>0</sub>**, each representing the relevant London Business Days in chronological order from (and including) the first London Business Day (x) if "Lag" or "Lock-out" is specified as the Observation Method in the applicable Final Terms, in the relevant Interest Period or (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, in the relevant Observation Lookback Period;

"**Lock-out Period**" means, in respect of an Interest Period, the period from (and including) the day following the Interest Determination Date to (but excluding) the Interest Period End Date falling at the end of such Interest Period;

**"London 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 London;

**"Lookback Period"** or **"p"** means, in respect of an Interest Period where "Lag" or "Shift" is specified as the Observation Method in the applicable Final Terms, the number of London Business Days specified in the applicable Final Terms (or, if no such number is specified, five London Business Days);

**"n<sub>i</sub>"** means, in respect of a London Business Day i, the number of calendar days from (and including) such London Business Day i up to (but excluding) the following London Business Day;

**"Observation Lookback Period"** means, in respect of an Interest Period, the period from (and including) the date falling p London Business Days prior to the first day of the relevant Interest Period and ending on (but excluding) the date which is p London Business Days prior to the Interest Period End Date falling at the end of such Interest Period;

**"Reference Day"** means each London Business Day in the relevant Interest Period that is not a London Business Day falling in the Lock-out Period;

**"SONIA i"** means, in respect of a London Business Day i:

- (x) if "Lock-out" is specified as the Observation Method in the applicable Final Terms:
  - (1) in respect of any London Business Day i that is a Reference Day, the SONIA Rate in respect of the London Business Day immediately preceding such Reference Day; otherwise
  - (2) the SONIA Rate in respect of the London Business Day immediately preceding the Interest Determination Date for the relevant Interest Period; or
- (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, the SONIA Rate for such London Business Day i;

**"SONIA Index"** means the rate of return of a daily compound interest investment in Sterling (with the daily Sterling Overnight Index Average ("**SONIA**") as a reference rate for the calculation of interest) determined by the Calculation Agent on the Interest Determination Date by reference to the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such

administrator or other information service from time to time at the relevant time on the relevant determination dates in respect of SONIA Index<sub>Initial</sub> and SONIA Index<sub>Final</sub>, as further specified in the applicable Final Terms;

**"SONIA Index<sub>Final</sub>"** means, with respect to an Interest Period, the SONIA Index determined in relation to the day falling p London Business Days prior to the Interest Period End Date falling at the end of such Interest Period;

**"SONIA Index<sub>Initial</sub>"** means, with respect to an Interest Period, the SONIA Index determined in relation to the day falling p London Business Days prior to the first day of such Interest Period;

**"SONIA<sub>i-pLBD</sub>"** means:

- (x) if "Lag" is specified as the Observation Method in the applicable Final Terms, in respect of a London Business Day i, the SONIA Rate in respect of the London Business Day falling p London Business Days prior to such London Business Day i; or
- (y) if "Lock-out" is specified as the Observation Method in the applicable Final Terms, in respect of a London Business Day i, SONIA i in respect of such London Business Day i.

**"SONIA Rate"** means, in respect of any London Business Day, a reference rate equal to the daily SONIA rate for such London Business Day, as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the London Business Day immediately following such London Business Day; and

**"Weighted Average SONIA"** means:

- (x) where "Lag" is specified as the Observation Method in the applicable Final Terms, the sum of the SONIA Rate in respect of each calendar day during the relevant Observation Lookback Period divided by the number of calendar days during such Observation Lookback Period.

For these purposes, the SONIA Rate in respect of any calendar day which is not a London Business Day shall be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding such calendar day; or

- (y) where "Lock-out" is specified as the Observation Method in the applicable Final Terms, the sum of the SONIA Rate in respect of each calendar day during the relevant Interest Period divided by the number of calendar days in the relevant Interest Period, provided that, for any calendar day



of such Interest Period falling in the Lock-out Period for the relevant Interest Period, the SONIA Rate for such calendar day will be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding the first day of such Lock-out Period. For these purposes, the SONIA Rate in respect of any calendar day which is not a London Business Day shall, subject to the preceding proviso, be deemed to be the SONIA Rate in respect of the London Business Day immediately preceding such calendar day.

#### IV. SONIA Fallbacks

- (x) *If "Lag", "Lock-out" or "Shift" is specified as the Observation Method in the applicable Final Terms*

If, in respect of any London Business Day, the SONIA Rate is not available on the Relevant Screen Page (and has not otherwise been published by the relevant authorised distributors), such SONIA Rate shall be:

- (1) (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at the close of business on the relevant London Business Day; plus (ii) the arithmetic mean of the spread of SONIA to the Bank Rate over the previous five days on which SONIA has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or
- (2) if the Bank Rate under (1)(i) above is not available at the relevant time, either (A) the SONIA Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the immediately preceding London Business Day on which the SONIA Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or (B) if this is more recent, the latest rate determined in accordance with (1) above, and

such rate shall be deemed to be the SONIA Rate for such London Business Day.

Notwithstanding the foregoing, in the event of the Bank of England publishing guidance as to (i) how the SONIA Rate is to be determined or (ii) any rate that is to replace the SONIA Rate, the Calculation Agent shall follow such guidance to determine the SONIA Rate for so long as the SONIA Rate is not available or has not been published by the authorised distributors.

In the event that the Rate of Interest cannot be determined in accordance with the foregoing provisions in respect of an Interest Period, the Rate of Interest shall be (i) that determined as at the immediately preceding Interest Determination Date (though substituting, where a different Margin, Maximum Rate of Interest and/or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the immediately preceding Interest Period, the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin, Maximum Rate of Interest and/or Minimum Rate of Interest relating to the immediately preceding Interest Period); or (ii) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to such Series of Securities for the first Interest Period had the Securities been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (subject to the application of the relevant Margin or Maximum Rate of Interest or Minimum Rate of Interest in respect of such Interest Period).

(y) *If "SONIA Index with Observation Shift" is specified as the Observation Method in the applicable Final Terms*

If the relevant SONIA Index is not published or displayed by the administrator of the SONIA reference rate or other information service by 5.00 p.m. (London time) (or, if later, by the time falling one hour after the customary or scheduled time for publication thereof in accordance with the then-prevailing operational procedures of the administrator of the SONIA reference rate or of such other information service, as the case may be) on the relevant Interest Determination Date, the Compounded Daily SONIA for the applicable Interest Period for which the SONIA Index is not available shall be "Compounded Daily SONIA" determined in accordance with Condition 32(b)(v)(B)I where (i) the "Observation Method" will be deemed to be "Shift" and (ii) the "Observation Lookback Period" will be deemed to be equal to p London Banking Days, as if those alternative elections had been made in the applicable Final Terms.

(C) SOFR

Where "Screen Rate Determination – SOFR" is specified in the applicable Final Terms as the manner in which a Rate of Interest is to be determined for each Interest Period, such Rate of Interest will be calculated in accordance with Condition 32(b)(v)(C)I or 32(b)(v)(C)II below, subject to the provisions of Condition 32(b)(v)(C)IV.

I. Where the Calculation Method is specified in the applicable Final Terms as being "SOFR Arithmetic Mean", the Rate of Interest for each Interest Period will be the SOFR Arithmetic Mean plus or

minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent on the relevant Interest Determination Date and the resulting percentage being rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

- II. Where the Calculation Method is specified in the applicable Final Terms as being "SOFR Compound", the Rate of Interest for each Interest Period will be the Compounded Daily SOFR on the relevant Interest Determination Date plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent.
- III. The following definitions shall apply for the purpose of this Condition 32(b)(v)(C):

**"Bloomberg Screen SOFRRATE Page"** means the Bloomberg screen designated "SOFRRATE" or any successor page or service;

**"Compounded Daily SOFR"** means, with respect to an Interest Period, an amount equal to the rate of return for each calendar day during the Interest Period, compounded daily, calculated by the Calculation Agent on the Interest Determination Date in accordance with the following formula:

- (a) if "SOFR Compound with Lookback" is specified as the Observation Method in the applicable Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_{i-\text{pUSBD}} \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

**"d"** means, in respect of an Interest Period, the number of calendar days in such Interest Period;

**"d<sub>0</sub>"** means, in respect of an Interest Period, the number of U.S. Government Securities Business Days in such Interest Period;

**"i"** means, in respect of an Interest Period, a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in such Interest Period;

**"Lookback Period"** or **"p"** means the number of U.S. Government Securities Business Days specified as such in

the applicable Final Terms or, if no such number is specified, five U.S. Government Securities Business Days;

"**n<sub>i</sub>**" means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, the number of calendar days from (and including) such U.S. Government Securities Business Day<sub>i</sub> up to (but excluding) the following U.S. Government Securities Business Day; and

"**SOFR<sub>i-pUSBD</sub>**" means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, SOFR in respect of the U.S. Government Securities Business Day falling the number of U.S. Government Securities Business Days equal to the Lookback Period prior to such U.S. Government Securities Business Day<sub>i</sub> ("**pUSBD**"), provided that, unless SOFR Cut-Off Date is specified as not applicable in the applicable Final Terms, SOFR<sub>i</sub> in respect of each U.S. Government Securities Business Day<sub>i</sub> in the period from (and including) the SOFR Cut-Off Date to (but excluding) the next occurring Interest Period End Date, will be SOFR<sub>i</sub> in respect of the SOFR Cut-Off Date for such Interest Period;

- (b) if "SOFR Compound with Observation Period Shift" is specified as the Observation Method in the applicable Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SOFR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

"**d**" means, in respect of an Observation Period, the number of calendar days in such Observation Period;

"**d<sub>0</sub>**" means, in respect of an Observation Period, the number of U.S. Government Securities Business Days in such Observation Period;

"**i**" means, in respect of an Observation Period, a series of whole numbers from one to d<sub>0</sub>, each representing the relevant U.S. Government Securities Business Days in chronological order from (and including) the first U.S. Government Securities Business Day in such Observation Period;

"**n<sub>i</sub>**" means, in respect of a U.S. Government Securities Business Day<sub>i</sub>, the number of calendar days from (and including) such U.S. Government Securities Business Day<sub>i</sub>

up to (but excluding) the following U.S. Government Securities Business Day;

**"Observation Period"** means, in respect of an Interest Period, the period from (and including) the date falling the number of Observation Shift Days prior to the first day of such Interest Period and ending on (but excluding) the date that is the number Observation Shift Days prior to the next occurring Interest Period End Date in such Interest Period;

**"Observation Shift Days"** means the number of U.S. Government Securities Business Days specified in the applicable Final Terms or, if no such number is specified, five U.S. Government Securities Business Days; and

**"SOFR<sub>i</sub>"** means, in respect of each U.S. Government Securities Business Day<sub>i</sub>, the SOFR in respect of such U.S. Government Securities Business Day<sub>i</sub>;

- (c) if "SOFR Index with Observation Shift" is specified as the Observation Method in the applicable Final Terms:

$$\left( \frac{\text{SOFR Index}_{\text{Final}}}{\text{SOFR Index}_{\text{Initial}}} - 1 \right) \times \frac{360}{d_c}$$

Where:

**"d<sub>c</sub>"** means, in respect of an Interest Period, the number of calendar days in such Interest Period;

**"NY Federal Reserve"** means the Federal Reserve Bank of New York;

**"NY Federal Reserve's Website"** means the website of the NY Federal Reserve, currently at [www.newyorkfed.org](http://www.newyorkfed.org), or any successor website of the NY Federal Reserve or the website of any successor administrator of SOFR;

**"Observation Shift Days"** means the number of U.S. Government Securities Business Days specified as such in the applicable Final Terms or, if no such number is specified, two U.S. Government Securities Business Days;

**"Reuters Page USDSOFR="** means the Reuters page designated "USDSOFR=" or any successor page or service;

**"SOFR"** means the rate determined by the Calculation Agent in respect of a U.S. Government Securities Business Day, in accordance with the following provisions:

- (a) the Secured Overnight Financing Rate in respect of such U.S. Government Securities Business Day that appears at approximately 3:00 p.m. (New York City

time) (the "**SOFR Determination Time**") on the NY Federal Reserve's Website on such U.S. Government Securities Business Day, as such rate is reported on the Bloomberg Screen SOFRRATE Page for such U.S. Government Securities Business Day or, if no such rate is reported on the Bloomberg Screen SOFRRATE Page, then the Secured Overnight Financing Rate that is reported on the Reuters Page USDSOFR= or, if no such rate is reported on the Reuters Page USDSOFR=, then the Secured Overnight Financing Rate that appears at approximately 3:00 p.m. (New York City time) on the NY Federal Reserve's Website on such U.S. Government Securities Business Day (the "**SOFR Screen Page**"); or

- (b) if the rate specified in (a) above does not so appear and the Calculation Agent determines that a SOFR Transition Event has not occurred, the Secured Overnight Financing Rate published on the NY Federal Reserve's Website for the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the NY Federal Reserve's Website;

**"SOFR Arithmetic Mean"** means, with respect to an Interest Period, the arithmetic mean of the SOFR for each calendar day during such Interest Period, as calculated by the Calculation Agent, provided that, the SOFR in respect of each calendar day during the period from (and including) the SOFR Cut-Off Date to (but excluding) the next occurring Interest Period End Date will be the SOFR on the SOFR Cut-Off Date. For these purposes, the SOFR in respect of any calendar day which is not a U.S. Government Securities Business Day shall, subject to the preceding proviso, be deemed to be the SOFR in respect of the U.S. Government Securities Business Day immediately preceding such calendar day;

**"SOFR Cut-Off Date"** means, unless specified as not applicable in the applicable Final Terms, in respect of an Interest Period, the fourth U.S. Government Securities Business Day prior to the next occurring Interest Period End Date in such Interest Period (or such other number of U.S. Government Securities Business Days specified in the applicable Final Terms); and

**"SOFR Index"** means with respect to any U.S. Government Securities Business Day, (i) the SOFR Index value as published by the NY Federal Reserve as such index appears

on the NY Federal Reserve's Website at the SOFR Determination Time; or (ii) if the SOFR Index specified in (i) above does not so appear, unless both a SOFR Transition Event and its related Benchmark Replacement Date have occurred, the SOFR Index as published in respect of the first preceding U.S. Government Securities Business Day for which the SOFR Index was published on the NY Federal Reserve's Website;

**"SOFR Index<sub>Final</sub>"** means, in respect of an Interest Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal to the Observation Shift Days prior to the next occurring Interest Period End Date in such Interest Period;

**"SOFR Index<sub>Initial</sub>"** means, in respect of an Interest Period, the value of the SOFR Index on the date falling the number of U.S. Government Securities Business Days equal to the Observation Shift Days prior to the first day of such Interest Period (or, in the case of the first Interest Period, the Interest Commencement Date);

**"U.S. Government Securities Business Day"** means any day except for a Saturday, Sunday or a day on which the Securities Industry and Financial Markets Association ("**SIFMA**") recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

Notwithstanding paragraphs I to III. above, if the Calculation Agent determines on or prior to the SOFR Determination Time, that a SOFR Transition Event and its related SOFR Replacement Date have occurred with respect to the relevant SOFR Benchmark (as defined below), then the provisions set forth in Condition 32(b)(v)(C)IV (*SOFR Replacement Provisions*) below will apply to all determinations of the Rate of Interest for each Interest Period thereafter.

#### IV. SOFR Replacement Provisions

If the Calculation Agent determines at any time prior to the SOFR Determination Time on any U.S. Government Securities Business Day that a SOFR Transition Event and the related SOFR Replacement Date have occurred, the Calculation Agent will appoint an agent (the "**Replacement Rate Determination Agent**") which will determine the SOFR Replacement. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Settlement Currency as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable), (z) an affiliate of the Issuer, the Guarantor

(if applicable) or the Calculation Agent or (zz) such other entity that the Calculation Agent determines to be competent to carry out such role.

In connection with the determination of the SOFR Replacement, the Replacement Rate Determination Agent will determine appropriate SOFR Replacement Conforming Changes.

Any determination, decision or election that may be made by the Calculation Agent or Replacement Rate Determination Agent (as the case may be) pursuant to these provisions, will (in the absence of manifest error) be conclusive and binding on the Issuer, the Calculation Agent, the Principal Security Agent and the Holders.

Following the designation of a SOFR Replacement, the Calculation Agent may subsequently determine that a SOFR Transition Event and a related SOFR Replacement Date have occurred in respect of such SOFR Replacement, provided that the SOFR Benchmark has already been substituted by the SOFR Replacement and any SOFR Replacement Conforming Changes in connection with such substitution have been applied. In such circumstances, the SOFR Replacement shall be deemed to be the SOFR Benchmark and all relevant definitions shall be construed accordingly.

In connection with the SOFR Replacement provisions above, the following definitions shall apply:

**"2006 ISDA Definitions"** means, in respect of a Series of Securities, the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto ("**ISDA**"), as amended, updated or supplemented as at the Issue Date of the first Tranche of Securities of such Series;

**"2021 ISDA Definitions"** means, in respect of a Series of Securities, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of Securities of such Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org));

**"ISDA Definitions"** means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the applicable Final Terms;

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of a SOFR Transition Event with respect to SOFR for the applicable tenor;

**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of a SOFR Transition Event with



respect to SOFR for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

**"Relevant Governmental Body"** means the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System and/or the NY Federal Reserve or any successor thereto;

**"SOFR Benchmark"** means (a) (unless "SOFR Compound" is specified as the Calculation Method and "SOFR Index with Observation Shift" is specified as the Observation Method in the applicable Final Terms) SOFR or (b) SOFR Index, each as defined in Condition 32(b)(v)(C)III above;

**"SOFR Replacement"** means any one (or more) of the SOFR Replacement Alternatives to be determined by the Replacement Rate Determination Agent as of the SOFR Replacement Date if the Calculation Agent determines that a SOFR Transition Event and its related SOFR Replacement Date have occurred on or prior to the SOFR Determination Time in respect of any determination of the SOFR Benchmark on any U.S. Government Securities Business Day in accordance with:

- (a) the order of priority specified as the SOFR Replacement Alternatives Priority in the applicable Final Terms; or
- (b) if no such order of priority is specified, in accordance with the priority set forth below:
  - (i) Relevant Governmental Body Replacement;
  - (ii) ISDA Fallback Replacement; and
  - (iii) Industry Replacement,

Provided, in each case, that, if the Replacement Rate Determination Agent is unable to determine the SOFR Replacement in accordance with the first SOFR Replacement Alternative listed, it shall attempt to determine the SOFR Replacement in accordance with the each subsequent SOFR Replacement Alternative until a SOFR Replacement is determined. The SOFR Replacement will replace the then-current SOFR Benchmark for the purpose of determining the relevant Rate of Interest in respect of the relevant Interest Period and each subsequent Interest Period, subject to the occurrence of a subsequent SOFR Transition Event and related SOFR Replacement Date;

**"SOFR Replacement Alternatives"** means:

- (a) the sum of: (i) the alternative rate that has been selected or recommended by the Relevant Governmental Body as the

replacement for the then-current SOFR Benchmark for the relevant Interest Period and (ii) the SOFR Replacement Adjustment (the "**Relevant Governmental Body Replacement**");

- (b) the sum of: (i) the ISDA Fallback Rate and (ii) the SOFR Replacement Adjustment (the "**ISDA Fallback Replacement**"); or
- (c) the sum of: (i) the alternative rate that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SOFR Benchmark for the relevant Interest Period giving due consideration to any industry-accepted rate as a replacement for the then-current SOFR Benchmark for U.S. dollar-denominated floating rate securities at such time and (ii) the SOFR Replacement Adjustment (the "**Industry Replacement**");

"**SOFR Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the applicable SOFR Replacement Date:

- (a) the spread adjustment, or method for calculating or determining such spread adjustment (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted SOFR Replacement;
- (b) if the applicable Unadjusted SOFR Replacement is equivalent to the ISDA Fallback Rate, the ISDA Spread Adjustment; or
- (c) the spread adjustment (which may be a positive or negative value or zero) determined by the Replacement Rate Determination Agent giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current SOFR Benchmark with the applicable Unadjusted SOFR Replacement for U.S. dollar-denominated floating rate securities at such time;

"**SOFR Replacement Conforming Changes**" means, with respect to any SOFR Replacement, any technical, administrative or operational changes (including, but not limited to, changes to timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SOFR Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of

any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SOFR Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Calculation Agent, as the case may be, determines is reasonably necessary, in its sole and absolute discretion);

**"SOFR Replacement Date"** means the earliest to occur of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

- (a) in the case of sub-paragraphs (a) or (b) of the definition of "SOFR Transition Event" the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of the SOFR Benchmark permanently or indefinitely ceases to provide the SOFR Benchmark (or such component); or
- (b) in the case of sub-paragraph (c) of the definition of "SOFR Transition Event" the date of the public statement or publication of information referenced therein; or
- (c) in the case of sub-paragraph (d), the last such consecutive U.S. Government Securities Business Day on which the SOFR Benchmark has not been published,

provided that, in the event of any public statements or publications of information as referenced in sub-paragraphs (a) or (b) above, should such event or circumstance referred to in such a public statement or publication occur on a date falling later than three (3) months after the relevant public statement or publication, the SOFR Transition Event shall be deemed to occur on the date falling three (3) months prior to such specified date (and not the date of the relevant public statement or publication).

For the avoidance of doubt, if the event giving rise to the SOFR Replacement Date occurs on the same day as, but earlier than, the SOFR Determination Time in respect of any determination, the SOFR Replacement Date will be deemed to have occurred prior to the SOFR Determination Time for such determination.

**"SOFR Transition Event"** means the occurrence of any one or more of the following events with respect to the then-current SOFR Benchmark (including the daily published component used in the calculation thereof):

- (a) a public statement or publication of information by or on behalf of the administrator of the SOFR Benchmark (or such component, if relevant) announcing that such administrator has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant), permanently or indefinitely,

provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);

- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component, if relevant), the central bank for the currency of the SOFR Benchmark (or such component, if relevant), an insolvency official with jurisdiction over the administrator for the SOFR Benchmark (or such component, if relevant), a resolution authority with jurisdiction over the administrator for SOFR (or such component, if relevant) or a court or an entity with similar insolvency or resolution authority over the administrator for the SOFR Benchmark (or such component, if relevant), which states that the administrator of the SOFR Benchmark (or such component, if relevant) has ceased or will cease to provide the SOFR Benchmark (or such component, if relevant) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the SOFR Benchmark (or such component, if relevant);
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of the SOFR Benchmark (or such component, if relevant) announcing that the SOFR Benchmark (or such component, if relevant) is no longer representative, the SOFR Benchmark (or such component, if relevant) has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally or in respect of the Securities; or
- (d) the SOFR Benchmark is not published by its administrator (or a successor administrator) for six consecutive U.S. Government Securities Business Days; and

**"Unadjusted Benchmark Replacement"** means the SOFR Replacement prior to the application of any SOFR Replacement Adjustment.

(D) €STR

- I. Where "Screen Rate Determination – €STR" is specified in the applicable Final Terms as the manner in which a Rate of Interest is to be determined for each Interest Period, such Rate of Interest will be Compounded Daily €STR plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent, calculated in accordance with this Condition 32(b)(v)(D)I, subject to the provisions of Condition 32(b)(v)(D)II.

For the purposes of this Condition 32(b)(v)(D), the following definitions shall apply:

"**Compounded Daily €STR**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment in euro (with the daily euro short term rate as the reference rate for the calculation of interest) calculated by the Calculation Agent on the relevant Interest Determination Date, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{Relevant } \text{€STR}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where the resulting percentage will be rounded (if necessary) to the nearest fifth decimal place, with 0.000005 being rounded upwards;

"**d**" means the number of calendar days in (x) if "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period or (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Lookback Period;

"**d<sub>0</sub>**" means the number of T2 Business Days in (x) if "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period or (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Lookback Period;

"**€STR**" means, in respect of any T2 Business Day, the reference rate equal to the daily euro short term rate (€STR) for such T2 Business Day as provided by the European Central Bank, as the administrator of such rate (or any successor administrator of such rate) on the website of the European Central Bank at <https://www.ecb.europa.eu/home/html/index.en.html>, or any successor website or the website of any successor administrator for the publication of such rate (the "**ECB Website**") on such T2 Business Day or if the ECB Website is unavailable as otherwise published by or on behalf of the relevant administrator;

"**€STR<sub>i-pTBD</sub>**" means, in respect of any T2 Business Day i, €STR for the T2 Business Day falling p T2 Business Days prior to the relevant T2 Business Day i;

"**i**" means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant T2 Business Day in chronological order from, and including, the first T2 Business Day in (x) if "Lag" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period or (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, the relevant Observation Lookback Period;

"**Lookback Period**" or "**p**" means, in respect of an Interest Period, the number of T2 Business Days specified in the applicable Final Terms (or, if no such number is specified, five T2 Business Days);

"**n<sub>i</sub>**" means, in respect of any T2 Business Day *i*, the number of calendar days from (and including) such T2 Business Day *i* to (but excluding) the following T2 Business Day;

"**Observation Lookback Period**" means, in respect of an Interest Period, the period from (and including) the date falling *p* T2 Business Days prior to the first day of the relevant Interest Period and ending on (but excluding) the date which is *p* T2 Business Days prior to the Interest Period End Date falling at the end of such Interest Period;

"**Relevant €STR<sub>i</sub>**" means, in respect of any T2 Business Day *i*:

- (x) if "Lag" is specified as the Observation Method in the applicable Final Terms, €STR<sub>i-pTBD</sub>; or
- (y) if "Shift" is specified as the Observation Method in the applicable Final Terms, €STR<sub>i-</sub>, where €STR<sub>i-</sub> is, in respect of any T2 Business Day *i* falling in the relevant Observation Lookback Period, €STR for such day; and

"**T2 Business Day**" means a day on which the T2 System is open.

## II. €STR Fallback provisions

### (1) *A €STR Transition Event has occurred*

If the Calculation Agent determines at any time prior to the €STR Reference Time on any T2 Business Day that a €STR Transition Event and the related €STR Replacement Date have occurred, the Calculation Agent will appoint an agent (the "**Replacement Rate Determination Agent**") which will determine the €STR Replacement. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Settlement Currency as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable), (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent or (aa) such other entity that the Calculation Agent determines to be competent to carry out such role. In connection with the determination of the €STR Replacement:

- (A) the €STR Replacement will replace the then-current €STR Benchmark for all purposes relating to the relevant Securities in respect of such determination on such date and all determinations on all subsequent dates;

- (B) the Replacement Rate Determination Agent may make €STR Replacement Conforming Changes with respect to the relevant Securities from time to time;
  - (C) any determination, decision or election that may be made by the Replacement Rate Determination Agent pursuant to this Condition 32(b)(v)(D)II including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, in each case, solely with respect to the relevant Securities, will be conclusive and binding absent manifest error, will be made by the Replacement Rate Determination Agent acting in good faith and a commercially reasonable manner;
  - (D) to the extent that there is any inconsistency between this Condition and any other Terms and Conditions, this Condition 32(b)(v)(D)II shall prevail with respect to any Securities for which the Rate of Interest is calculated in accordance with this Condition 32(b)(v)(D);
  - (E) the Calculation Agent may determine that it is appropriate for a €STR Replacement to replace the then-current €STR Benchmark and apply any €STR Replacement Conforming Changes in respect of any subsequent €STR Transition Event; and
  - (F) where a €STR Transition Event or details of it are announced prior to the relevant €STR Replacement Date then the Replacement Rate Determination Agent may on or after such earlier announcement date give notice to Holders in accordance with Condition 10 of the relevant changes which will be made to the Securities, provided that, such changes will only take effect as of the €STR Replacement Date.
- (2) *A €STR Transition Event has not occurred and the €STR Benchmark is unavailable*

If, by the relevant €STR Reference Time on a relevant determination date, the €STR Benchmark is unavailable in respect of such determination date and a €STR Transition Event has not occurred, then the rate for such determination date will be the €STR Benchmark, where applicable, of the Corresponding Tenor, as provided by the administrator of the €STR Benchmark and published by an alternative authorised distributor or by or on behalf of the administrator of the €STR Benchmark itself. If no such rate has been published by the Rate Cut-Off Time specified in the applicable Final Terms (or if no time is so specified, 4 p.m. (London time)), then the rate for such determination date will be the rate determined by the

Calculation Agent to be a commercially reasonable alternative for the €STR Benchmark by applying one of the following rates:

- (1) a rate formally recommended for use by the administrator of the €STR Benchmark; or
- (2) a rate formally recommended for use by the Relevant Governmental Body or any other supervisor which is responsible for supervising the €STR Benchmark or the administrator of the €STR Benchmark,

in each case, during the period of non-publication of the €STR Benchmark and for so long as a €STR Transition Event has not occurred. If a rate described in sub-paragraph (1) is available, the Calculation Agent shall apply that rate. If no such rate is available, but a rate described in sub-paragraph (2) is available, the Calculation Agent shall apply that rate. If neither a rate described in sub-paragraph (1) nor a rate described in sub-paragraph (2) is available, then the Calculation Agent shall determine a commercially reasonable alternative for the €STR Benchmark taking into account, where available, any rate implemented by central counterparties and/or futures exchanges, in each case with trading volumes in derivatives or futures referencing the €STR Benchmark that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

- (3) €STR Fallback Definitions

Notwithstanding any other definitions to the contrary in these Terms and Conditions, the following definitions shall apply with respect to this Condition 32(b)(v)(D)II:

**"2006 ISDA Definitions"** means, in respect of a Series of Securities, the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto ("**ISDA**"), as amended, updated or supplemented as at the Issue Date of the first Tranche of Securities of such Series.

**"2021 ISDA Definitions"** means, in respect of a Series of Securities, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the Issue Date of the first Tranche of Securities of such Series, as published by ISDA on its website ([www.isda.org](http://www.isda.org)).

**"Corresponding Tenor"** with respect to a €STR Replacement means a tenor (including overnight) having approximately the same length (disregarding business day adjustment) as the applicable tenor for the then-current €STR Benchmark.



**"€STR Benchmark"** means, initially, Compounded Daily €STR (as defined in Condition 32(b)(v)(D)I above) of the appropriate tenor (if applicable), provided that, if a €STR Transition Event and its related €STR Replacement Date have occurred with respect to Compounded Daily €STR, or the then-current €STR Benchmark, then **"€STR Benchmark"** means the applicable €STR Replacement.

**"€STR Reference Time"** with respect to any determination of the €STR Benchmark means 11:00 am (Brussels time) on the T2 Business Day immediately following the date of such determination.

**"€STR Replacement"** means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the €STR Replacement Date:

- (1) the ISDA Fallback Rate;
- (2) the alternative rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current €STR Benchmark, where applicable, for the applicable Corresponding Tenor; or
- (3) the alternative rate of interest that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current €STR Benchmark, where applicable for the applicable Corresponding Tenor, giving due consideration to any industry-accepted rate of interest as a replacement for the then-current €STR Benchmark for floating rate securities denominated in the currency of the €STR Benchmark (the **"Relevant Benchmark Currency"**) calculated at such time.

**"€STR Replacement Conforming Changes"** means, with respect to any €STR Replacement, any technical, administrative or operational changes (including, but not limited to, timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention, amendments to any other Condition and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such €STR Replacement in a manner substantially consistent with market practice (or,

if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the €STR Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Calculation Agent, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner).

**"€STR Replacement Date"** means the earliest to occur of the following events with respect to the then-current €STR Benchmark:

- (1) in the case of paragraph (1) or (2) of the definition of "€STR Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the €STR Benchmark permanently or indefinitely ceases to provide such €STR Benchmark; or
- (2) in the case of paragraph (3) of the definition of "€STR Transition Event", the date of the public statement or publication of information referenced therein,

for the avoidance of doubt, if the event giving rise to the €STR Replacement Date occurs on the same day as, but earlier than, the €STR Reference Time in respect of any determination, the €STR Replacement Date will be deemed to have occurred prior to the €STR Reference Time for such determination.

**"€STR Transition Event"** means the occurrence of one or more of the following events with respect to the then-current €STR Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of the €STR Benchmark announcing that the administrator has ceased or will cease to provide the €STR Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no

successor administrator that will continue to provide the €STR Benchmark;

- (2) a public statement or publication of information by the regulatory supervisor for the administrator of the €STR Benchmark, the central bank for the currency of the €STR Benchmark, an insolvency official with jurisdiction over the administrator for the €STR Benchmark, a resolution authority with jurisdiction over the administrator for the €STR Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the €STR Benchmark, which states that the administrator of the €STR Benchmark has ceased or will cease to provide the €STR Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the €STR Benchmark; or
- (3) a public statement or publication of information by the regulatory supervisor for the administrator of the €STR Benchmark announcing that the €STR Benchmark is no longer representative, the €STR Benchmark has been or will be prohibited from being used or that its use has been or will be subject to restrictions or adverse consequences, either generally or in respect of the Securities.

**"ISDA Definitions"** means the 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the applicable Final Terms.

**"ISDA Fallback Adjustment"** means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of a €STR Transition Event with respect to the €STR Benchmark for the applicable tenor.

**"ISDA Fallback Rate"** means the rate that would apply for derivatives transactions referencing the

ISDA Definitions to be effective upon the occurrence of a €STR Transition Event with respect to the €STR Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment.

**"Rate Cut-off Time"** has the meaning given to it in the applicable Final Terms.

**"Relevant Governmental Body"** means the European Central Bank (including any board thereof) or any committee officially endorsed and/or convened thereby.

(E) SARON

- I. Where "Screen Rate Determination – SARON" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, such Rate of Interest for each Interest Period will be Compounded Daily SARON plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent, calculated in accordance with this Condition 32(b)(v)(E)I, subject to the provisions of Condition 32(b)(v)(E)II.

The following definitions shall apply for the purpose of this Condition 32(b)(v)(E):

**"Compounded Daily SARON"** means, with respect to an Interest Period, the rate of return of a daily compound interest investment in Swiss francs (with the daily overnight interest rate of the secured funding market for Swiss franc as the reference rate for the calculation of interest) calculated by the Calculation Agent on the relevant Interest Determination Date, in accordance with the following formula:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{\text{SARON}_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{d}$$

where the resulting percentage will be rounded (if necessary) to the nearest fifth decimal place, with 0.000005 being rounded upwards.

**"d"** means, in respect of a SARON Observation Period, the number of calendar days in such SARON Observation Period;

**"d<sub>0</sub>"** means, in respect of a SARON Observation Period, the number of Zurich Banking Days in such SARON Observation Period.

**"i"** means a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Zurich Banking Days in the relevant SARON Observation Period in chronological order from, and

including, the first Zurich Banking Day in such SARON Observation Period;

**"Lookback Period"** or **"p"** means, in respect of an Interest Period, the number of Zurich Banking Days specified in the applicable Final Terms (or, if no such number is specified, five Zurich Banking Days);

**"n<sub>i</sub>"** means, in respect of any Zurich Banking Day i, the number of calendar days from (and including) such Zurich Banking Day i to (but excluding) the first following Zurich Banking Day;

**"SARON"** means, in respect of any Zurich Banking Day:

- (i) the Swiss Average Rate Overnight for such Zurich Banking Day published by the SARON Administrator on the Relevant Screen Page (or such replacement page which displays the information) at the SARON Reference Time;
- (ii) if such rate is not so published on the Relevant Screen Page at the SARON Reference Time on such Zurich Banking Day, other than as a consequence of a SARON Index Cessation Event for which a SARON Index Cessation Effective Date has occurred at or prior to the SARON Reference Time on such Zurich Banking Day, the Swiss Average Rate Overnight published on the Relevant Screen Page for the first preceding Zurich Banking Day for which the Swiss Average Rate Overnight was published on the Relevant Screen Page; or
- (iii) if such rate is not so published on the Relevant Screen Page at the SARON Reference Time on such Zurich Banking Day as a consequence of a SARON Index Cessation Event for which a SARON Index Cessation Effective Date has occurred at or prior to the SARON Reference Time on such Zurich Banking Day, the SARON Replacement determined in accordance with Condition 32(b)(v)(E) below;

**"SARON Administrator"** means SIX Swiss Exchange AG (or any successor administrator);

**"SARON Observation Period"** means, in respect of an Interest Period, the period from (and including) the date falling p Zurich Banking Days prior to the first day of the relevant Interest Period and ending on (but excluding) the date which is p Zurich Banking Days prior to the Interest Period End Date falling at the end of such Interest Period;

**"SARON Reference Time"** means, in respect of any Zurich Banking Day, the close of trading on the trading platform of SIX Repo AG (or any successor thereto) on such Zurich Banking Day, which is expected to be at or around 6 p.m. (Zurich time);

"**SARON<sub>i</sub>**" means, in respect of any Zurich Banking Day i, SARON as provided by the SARON Administrator to, and published by, authorised distributors of SARON in respect of that day at or after the SARON Reference Time (or any amended publication time as specified by the SARON Administrator in the SARON benchmark methodology) on such Zurich Banking Day; and

"**Zurich Banking Day**" means any day (other than a Saturday and Sunday) on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Zurich.

## II. SARON Replacement Provisions

- (1) If the Calculation Agent determines at any time prior to the SARON Reference Time on any Zurich Banking Day that a SARON Index Cessation Event and the related SARON Index Cessation Effective Date have occurred, the Calculation Agent shall determine the SARON Replacement.

If there is no Recommended SARON Replacement Rate and the SNB Policy Rate for any Zurich Banking Day with respect to which SARON is to be determined has not been published on such Zurich Banking Day (the "**Affected Zurich Banking Day**"), then the Calculation Agent will appoint an agent (the "**Replacement Rate Determination Agent**") on or prior to the first Zurich Banking Day in respect of which a SARON Index Cessation Event and related SARON Index Cessation Effective Date have occurred and for which the SNB Policy Rate has not been published. The Replacement Rate Determination Agent may be (x) a leading bank, broker-dealer or benchmark agent in the principal financial centre of the Settlement Currency as appointed by the Calculation Agent, (y) the Issuer or the Guarantor (if applicable), (z) an affiliate of the Issuer, the Guarantor (if applicable) or the Calculation Agent or (aa) such other entity that the Calculation Agent determines to be competent to carry out such role.

The Replacement Rate Determination Agent will determine whether to use an alternative rate to SARON for the Affected Zurich Banking Day and for all subsequent Zurich Banking Days in the SARON Observation Period in which the Affected Zurich Banking Day falls (the "**Affected SARON Observation Period**") and all SARON Observation Periods thereafter.

For the purposes of determining the Rate of Interest:

- (i) the Replacement Rate Determination Agent shall determine: (A) the method for determining the SARON Replacement (including any alternative method for determining the SARON Replacement if such alternative rate is unavailable on the relevant Interest Determination Date), which method shall be consistent with industry-accepted practices for the SARON Replacement and (B) any adjustment factor as may be necessary to make the SARON Replacement comparable to the then-current SARON Benchmark consistent with industry-accepted practices for the SARON Replacement;
- (ii) for the Affected Zurich Banking Day and all subsequent Zurich Banking Days in the Affected SARON Observation Period and all SARON Observation Periods thereafter, references to SARON in the Terms and Conditions shall be deemed to be references to the SARON Replacement, including any alternative method for determining such rate and any adjustment factor as described in sub-clause (i) above;
- (iii) the Replacement Rate Determination Agent may make SARON Replacement Conforming Changes with respect to the Securities from time to time;
- (iv) any determination, decision or election that may be made by the Replacement Rate Determination Agent pursuant to this Condition 32(b)(v)(E)II including any SARON Replacement Conforming Changes or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, in each case, solely with respect to the relevant Securities, will be conclusive and binding absent manifest error and will be made by the Replacement Rate Determination Agent acting in good faith and a commercially reasonable manner;
- (v) to the extent that there is any inconsistency between this Condition and any other Terms and Conditions, this Condition 32(b)(v)(E)II shall prevail with respect to any Securities for which the Rate of Interest is calculated in accordance with this Condition 32(b)(v)(E);
- (vi) the Calculation Agent may determine that it is appropriate for a SARON Replacement to replace the then-current SARON Benchmark and apply

any SARON Replacement Conforming Changes in respect of any subsequent SARON Index Cessation Event; and

- (vii) where a SARON Index Cessation Event or details of it are announced prior to the relevant SARON Index Cessation Effective Date then the Replacement Rate Determination Agent may on or after such earlier announcement date give notice to Holders in accordance with Condition 10 of the relevant changes which will be made to the Securities, provided that, such changes will only take effect as of the SARON Index Cessation Effective Date.

As used in this Condition 32(b)(v)(E), the following definitions shall apply:

**"Recommended SARON Adjustment Spread"** means, with respect to any Recommended SARON Replacement Rate:

- (i) the spread (which may be positive, negative or zero), formula or methodology for calculating such a spread, that the Recommending Body has recommended be applied to such Recommended SARON Replacement Rate in the case of fixed income securities with respect to which such Recommended SARON Replacement Rate has replaced the Swiss Average Rate Overnight as the reference rate for the purposes of determining the applicable rate of interest thereon; or
- (ii) if the Recommending Body has not recommended such a spread, formula or methodology as described in clause (i) above to be applied to such Recommended SARON Replacement Rate, for the purposes of determining SARON, the Calculation Agent will determine the spread, acting in good faith and in a commercially reasonable manner, to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Swiss Average Rate Overnight with such Recommended SARON Replacement Rate. The Calculation Agent will take into account industry-accepted practices for fixed income securities with respect to which such Recommended SARON Replacement Rate has replaced the Swiss Average Rate Overnight as the



reference rate for the purposes of determining the applicable rate of interest thereon;

**"Recommended SARON Replacement Rate"** means the rate that has been recommended as the replacement for the Swiss Average Rate Overnight by any working group or committee in Switzerland organised in the same or a similar manner as the National Working Group on Swiss Franc Reference Rates that was founded in 2013 for the purposes of, among other things, considering proposals to reform reference interest rates in Switzerland (any such working group or committee, the **"Recommending Body"**);

**"SARON Benchmark"** means, initially, Compounded Daily SARON (as defined in Condition 32(b)(v)(E)I above), provided that, if a SARON Index Cessation Event and its related SARON Index Cessation Effective Date have occurred with respect to Compounded Daily SARON, or the then-current SARON Benchmark, then "SARON Benchmark" means the applicable SARON Replacement.

**"SARON Index Cessation Effective Date"** means the earliest of:

- (i) in the case of the occurrence of a SARON Index Cessation Event described in clause (i) of the definition thereof, the date on which the SARON Administrator ceases to provide the Swiss Average Rate Overnight;
- (ii) in the case of the occurrence of a SARON Index Cessation Event described in sub-clause (ii)(x) of the definition thereof, the latest of:
  - (x) the date of such statement or publication;
  - (y) the date, if any, specified in such statement or publication as the date on which the Swiss Average Rate Overnight will no longer be representative; and
  - (z) if a SARON Index Cessation Event described in sub-clause (ii)(y) of the definition thereof has occurred on or prior to either or both dates specified in sub-clauses (x) and (y) of this clause (ii), the date as of which the Swiss Average Rate Overnight may no longer be used; and
- (iii) in the case of the occurrence of a SARON Index Cessation Event described in sub-clause (ii)(y) of

the definition thereof, the date as of which the Swiss Average Rate Overnight may no longer be used;

**"SARON Index Cessation Event"** means the occurrence of one or more of the following events:

- (i) a public statement or publication of information by or on behalf of the SARON Administrator, or by any competent authority, announcing or confirming that the SARON Administrator has ceased or will cease to provide the Swiss Average Rate Overnight permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Swiss Average Rate Overnight; or
- (ii) a public statement or publication of information by the SARON Administrator or any competent authority announcing that (x) the Swiss Average Rate Overnight is no longer representative or will as of a certain date no longer be representative, or (y) the Swiss Average Rate Overnight may no longer be used after a certain date, which statement, in the case of sub-clause (y), is applicable to (but not necessarily limited to) fixed income securities and derivatives;

**"SARON Replacement"** means the first alternative set forth in the order below that can be determined by the Replacement Rate Determination Agent as of the SARON Index Cessation Effective Date:

- (i) the Recommended SARON Replacement Rate for such Zurich Banking Day, giving effect to the Recommended SARON Adjustment Spread, if any, published on such Zurich Banking Day;
- (ii) the policy rate of the Swiss National Bank (the **"SNB Policy Rate"**) for such Zurich Banking Day, giving effect to the SNB Adjustment Spread, if any; or
- (iii) the alternative rate of interest that has been selected by the Replacement Rate Determination Agent as the replacement for the then-current SARON Benchmark, being such industry-accepted successor rate or, if no such rate exists, it shall select such rate that it has determined is most comparable to the Swiss Average Rate Overnight;

**"SARON Replacement Conforming Changes"** means, with respect to any SARON Replacement, any technical, administrative or operational changes (including, but not limited to, timing and frequency of determining rates with respect to each interest period and making payments of interest, rounding of amounts or tenors, day count fractions, business day convention, amendments to any other Condition and other administrative matters) that the Replacement Rate Determination Agent decides may be appropriate to reflect the adoption of such SARON Replacement in a manner substantially consistent with market practice (or, if the Replacement Rate Determination Agent determines that adoption of any portion of such market practice is not administratively feasible or if the Replacement Rate Determination Agent determines that no market practice for use of the SARON Replacement exists, in such other manner as the Replacement Rate Determination Agent or the Calculation Agent, as the case may be, determines is reasonably necessary, acting in good faith and in a commercially reasonable manner); and

**"SNB Adjustment Spread"** means, with respect to the SNB Policy Rate, the spread to be applied to the SNB Policy Rate in order to reduce or eliminate, to the extent reasonably practicable under the circumstances, any economic prejudice or benefit (as applicable) to Holders as a result of the replacement of the Swiss Average Rate Overnight with the SNB Policy Rate for the purposes of determining SARON, which spread will be determined by the Calculation Agent, acting in good faith and in a commercially reasonable manner, taking into account the historical median between the Swiss Average Rate Overnight and the SNB Policy Rate during the two year period ending on the date on which the SARON Index Cessation Event occurred (or, if more than one SARON Index Cessation Event has occurred, the date on which the first of such events occurred).

(F) TONA

- I. Where "Screen Rate Determination – TONA" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, such Rate of Interest for each Interest Period will be Compounded Daily TONA plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent, calculated in accordance with this Condition 32(b)(v)(F)I, subject to the provisions of Condition 32(b)(v)(F)II and Condition 32(b)(v)(F)III.

The following definitions shall apply for the purpose of this Condition 32(b)(v)(F):

**"Compounded Daily TONA"** means, with respect to an Interest Period, an amount equal to the rate of return of a daily compounded interest investment in Japanese yen (with the daily Tokyo Overnight Average rate as the reference rate for the calculation of interest), calculated by the Calculation Agent on the relevant Interest Determination Date in accordance with the following formula:

- (i) if "TONA Compound with Lookback" is specified as the Observation Method in the applicable Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{TONA_{i-pTBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

**"d"** means, in respect of an Interest Period, the number of calendar days in such Interest Period;

**"d<sub>0</sub>"** means, in respect of an Interest Period, the number of Tokyo Banking Days in such Interest Period;

**"i"** means, in respect of an Interest Period, a series of whole numbers from one to d<sub>0</sub>, each representing the relevant Tokyo Banking Days in chronological order from (and including) the first Tokyo Banking Day in such Interest Period;

**"Lookback Period"** or **"p"** means the number of Tokyo Banking Days specified in the applicable Final Terms or, if no such number is specified, 5 Tokyo Banking Days;

**"n<sub>i</sub>"** means, in respect of a Tokyo Banking Day<sub>i</sub>, the number of calendar days from (and including) such Tokyo Banking Day<sub>i</sub> up to (but excluding) the following Tokyo Banking Day; and

**"TONA<sub>i-pTBD</sub>"** means, in respect of a Tokyo Banking Day<sub>i</sub>, TONA in respect of the Tokyo Banking Day falling p Tokyo Banking Days prior to such Tokyo Banking Day;

- (ii) if "TONA Compound with Observation Period Shift" is specified as the Observation Method in the applicable Final Terms:

$$\left[ \prod_{i=1}^{d_0} \left( 1 + \frac{TONA_i \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

with the resulting percentage being rounded, if necessary, to the fifth decimal place, with 0.000005 being rounded upwards.

Where:

"**d**" means, in respect of a TONA Observation Period, the number of calendar days in such TONA Observation Period;

"**d<sub>0</sub>**" means, in respect of a TONA Observation Period, the number of Tokyo Banking Days in such TONA Observation Period;

"**i**" means, in respect of a TONA Observation Period, a series of whole numbers from one to d<sub>0</sub>, each representing the Tokyo Banking Days in chronological order from (and including) the first Tokyo Banking Day in such TONA Observation Period;

"**n<sub>i</sub>**" means, in respect of a Tokyo Banking Day<sub>i</sub>, the number of calendar days from (and including) such Tokyo Banking Day<sub>i</sub> up to (but excluding) the following Tokyo Banking Day;

"**Observation Shift Days**" means the number of Relevant Business Days specified in the applicable Final Terms or, if no such number is specified, 5 Relevant Business Days;

"**Relevant Business Day**" means a day which is (i) a Tokyo Banking Day, (ii) if one or more Observation Shift Business Centre(s) (other than T2 System) are specified in the applicable Final Terms, a day (other than a Saturday or Sunday) 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 relevant Observation Shift Business Centre(s) and (iii) if "T2" is specified as an Observation Shift Business Centre, a day on which the real time gross settlement system operated by the Eurosystem or any successor or replacement for that system (the "T2") is open;

"**TONA Observation Period**" means, in respect of an Interest Period, the period from (and including) the date falling the number of Observation Shift Days prior to the first day of such Interest Period and ending on (but excluding) the date that is the number Observation Shift Days prior to the next occurring Interest Period End Date in such Interest Period; and

"**TONA<sub>i</sub>**" means, in respect of a Tokyo Banking Day<sub>i</sub>, TONA in respect of such Tokyo Banking Day<sub>i</sub>;

"**Tokyo Banking Day**" means a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Tokyo; and

"**TONA**" means the rate determined by the Calculation Agent in respect of a Tokyo Banking Day, being the Tokyo Overnight Average (TONA) rate administered by the Bank of Japan (or any successor administrator) for such Tokyo Banking Day as provided by the administrator of TONA to authorised distributors and as then published on the Relevant Screen Page (or, if the

Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) in each case as of approximately 10.00 a.m. (Tokyo time) (or any amended publication time as specified by the administrator of such rate) on the Tokyo Banking Day immediately following such Tokyo Banking Day. If no such rate is published by the administrator of TONA or an authorised distributor and is not otherwise provided by the administrator of TONA other than as a consequence of a TONA Index Cessation Event, then TONA for such Tokyo Banking Day will be TONA last provided or published on the Relevant Screen Page (or as otherwise published by relevant authorised distributors) that appears at approximately 10.00 a.m. (Tokyo time) on the Bank of Japan's Website on the Tokyo Banking Day immediately following such Tokyo Banking Day.

## II. Correction of TONA

If TONA in respect of any Tokyo Banking Day is subsequently corrected and provided by the administrator of TONA to authorised distributors of TONA and published on the Relevant Screen Page no later than the Correction Cut-off Time (if any) or, if later (or there is no such Correction Cut-off Time), one hour after the rate for such Tokyo Banking Day is published on the Relevant Screen Page, then TONA in respect of such Tokyo Banking Day shall be the subsequently corrected and published rate appearing on the Relevant Screen Page.

Where:

**"Correction Cut-off Time"** means the time specified as such by the administrator of TONA in the TONA benchmark methodology.

## III. TONA Fallbacks

If the Calculation Agent determines at any time prior to the TONA Reference Time on any Tokyo Banking Day that a TONA Index Cessation Event has occurred, then the rate in respect of each Tokyo Banking Day falling on or after the TONA Index Cessation Effective Date will be the JPY Recommended Rate.

If there is a JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date, but neither the administrator nor authorised distributors provide or publish the JPY Recommended Rate, then, subject to the below, in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published JPY Recommended Rate. However, if there is no last provided or published JPY Recommended Rate, then in respect of any day for which the JPY Recommended Rate is required, references to the JPY Recommended Rate will be deemed to be references to the last provided or published TONA.

If:

- (a) there is no JPY Recommended Rate before the end of the first Tokyo Banking Day following the TONA Index Cessation Effective Date; or
- (b) there is a JPY Recommended Rate and a JPY Recommended Rate Index Cessation Effective Date subsequently occurs in respect of such JPY Recommended Rate,

then the rate in respect of each Tokyo Banking Day falling on or after the TONA Index Cessation Effective Date or a JPY Recommended Rate Fixing Day occurring on or after the JPY Recommended Rate Index Cessation Effective Date, as the case may be, will be a commercially reasonable alternative for TONA or the JPY Recommended Rate, as the case may be, as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner, taking into account any rate implemented by central counterparties and/or futures exchanges, in each case with trading volumes in derivatives or futures referencing TONA or the JPY Recommended Rate (as applicable) that the Calculation Agent considers sufficient for that rate to be a representative alternative rate.

For the purposes of this Condition 32(b)(v)(F)III:

**"JPY Recommended Rate"** means, in respect of any Tokyo Banking Day, the rate (inclusive of any spreads or adjustments) recommended as the replacement for TONA by a committee officially endorsed or convened by the Bank of Japan for the purpose of recommending a replacement for TONA (which rate may be produced by the Bank of Japan or another administrator) and as provided by the administrator of that rate or, if that rate is not provided by the administrator thereof (or a successor administrator), published by an authorised distributor in respect of such day;

**"JPY Recommended Rate Fixing Day"** means, in respect of the JPY Recommended Rate and any day, the publication day specified by the administrator of the JPY Recommended Rate for the JPY Recommended Rate in its benchmark methodology;

**"JPY Recommended Rate Index Cessation Effective Date"** means, in respect of the JPY Recommended Rate and a JPY Recommended Rate Index Cessation Event, the first date on which the JPY Recommended Rate would ordinarily have been published or provided and is no longer published or provided;

**"JPY Recommended Rate Index Cessation Event"** means, in respect of the JPY Recommended Rate:

- (a) a public statement or publication of information by or on behalf of the administrator of the JPY Recommended Rate announcing that it has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the JPY Recommended Rate; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of the JPY Recommended Rate, the central bank for the currency of the JPY Recommended Rate, an insolvency official with jurisdiction over the administrator of the JPY Recommended Rate, a resolution authority with jurisdiction over the administrator of the JPY Recommended Rate or a court or an entity with similar insolvency or resolution authority over the administrator of the JPY Recommended Rate, which states that the administrator of the JPY Recommended Rate has ceased or will cease to provide the JPY Recommended Rate permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide the JPY Recommended Rate;

**"TONA Index Cessation Effective Date"** means, in respect of TONA and a TONA Index Cessation Event, the first date on which TONA would ordinarily have been published or provided and is no longer published or provided;

**"TONA Index Cessation Event"** means, in respect of TONA:

- (a) a public statement or publication of information by or on behalf of the administrator of TONA announcing that it has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA; or
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of TONA, the central bank for the currency of TONA, an insolvency official with jurisdiction over the administrator of TONA, a resolution authority with jurisdiction over the administrator of TONA or a court or an entity with similar insolvency or resolution authority over the administrator of TONA, which states that the administrator of TONA has ceased or will cease to provide TONA permanently or indefinitely, provided that, at the time of the statement or publication, there is no successor administrator that will continue to provide TONA; and



**"TONA Reference Time"** means, with respect to any determination of TONA, 10.00 a.m. (Tokyo time) on the Tokyo Banking Day immediately following the date of such determination.

(vi) Determination of Rate of Interest and Calculation of Interest Amount

In the case of Floating Rate Certificates and Linked Interest Certificates the Calculation Agent will, on or as soon as practicable after each date on which the Rate of Interest is to be determined (the "**Interest Determination Date**"), determine the Rate of Interest (subject to any Minimum Interest Rate or Maximum Interest Rate specified in the applicable Final Terms) for the relevant Interest Period. In the case of Floating Rate Certificates and Linked Interest Certificates, the Calculation Agent will notify the Principal Security Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Calculation Agent will calculate the amount of interest (the "**Interest Amount**") payable on each Certificate for the relevant Interest Period by applying the Rate of Interest to the Notional Amount of such Certificate and multiplying such sum by the Day Count Fraction specified in the applicable Final Terms and rounding the resultant figure to the nearest sub-unit (defined above) of the relevant Specified Currency, one half of such a sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(vii) Minimum and/or Maximum Interest Rate

In the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of sub-paragraphs (ii), (iii), (iv) or (v) above (as appropriate) is less than the Minimum Interest Rate specified in the applicable Final Terms, the Rate of Interest for such Interest Period shall be such Minimum Interest Rate.

If the applicable Final Terms specifies a Maximum Interest Rate for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of subparagraphs (ii), (iii), (iv) or (v) above (as appropriate) is greater than such Maximum Interest Rate, the Rate of Interest for such Interest Period shall be such Maximum Interest Rate.

(viii) Notification of Rate of Interest and Interest Amount

The Calculation 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 Principal Security Agent, the Issuer and the Guarantor (such notifications to occur no later than the Business Day following such determination), and, if applicable, to any other stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Rate of Interest, Interest Amount and Interest Payment Date in accordance with Condition 10 as soon as possible after their determination but in no event later than the fourth Amsterdam Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the relevant Interest Period. Any such amendment or alternative

arrangements will be promptly notified to each stock exchange on which the relevant Certificates are for the time being listed and to the Holders in accordance with Condition 10. For the purposes of the Terms and Conditions, the expression "**Amsterdam Business Day**" means a day (other than a Saturday or a Sunday) on which commercial banks are open for business in Amsterdam. The determination of each Interest Rate and Interest Amount, the obtaining of each quote and the making of each determination or calculation by the Calculation Agent shall (in the absence of manifest error) be final and binding upon all parties.

(c) Day Count Fractions

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest for any Interest Period if "**Actual/Actual (ICMA)**" is specified in the applicable Final Terms:

- (i) in the case of Certificates where the number of days in the relevant period from (and including) the most recent Interest Period End Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
- (ii) in the case of Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
  - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (b) the number of Determination Dates that would occur in one calendar year;

**"Determination Date(s)"** means the date(s) specified in the applicable Final Terms;

**"Determination Period"** means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the Interest Period End Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

- (i) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (1) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (2) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);

- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest 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;

- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest 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 Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if "30E/360 (ISDA)" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (A) that day is the last day of February or (B) 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 Interest Period, unless (A) that day is the last day of February but not the Redemption Date or (B) such number would be 31, in which case D<sub>2</sub> will be 30.

Notwithstanding the foregoing, where the applicable Final Terms specifies that the relevant Day Count Fraction is "unadjusted", the Interest Period and the Interest Amount payable on any date shall not, unless otherwise provided in the applicable Final Terms, be affected by the application of any Business Day Convention.

- (d) Interest on Linked Interest Certificates

In the case of Linked Interest Certificates the Rate of Interest and/or the Interest Amount shall be determined in the manner specified in the applicable Final Terms.

- (e) Interest on Partly Paid Certificates

In the case of Partly Paid Certificates interest will accrue as aforesaid on the paid-up amount of such Certificates and otherwise as specified in the applicable Final Terms.

(f) Accrual of Interest

Each Certificate (or in the case of the redemption of part only of a Certificate, that part only of such Certificate) will cease to bear interest (if any) from the date for its redemption or exercise, as the case may be, unless payment of principal and/or delivery of all assets deliverable 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 Certificate have been paid and/or all assets deliverable in respect of such Certificate have been delivered; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Certificate has been received by the Principal Security Agent and/or all assets in respect of such Certificate have been received by any agent appointed by the Issuer to deliver such assets to Holders and notice to that effect has been given to the Holders in accordance with Condition 10.

Where "Screen Rate Determination – SONIA", "Screen Rate Determination – SOFR", "Screen Rate Determination – €STR", "Screen Rate Determination – SARON" or "Screen Rate Determination – TONA" is specified in the applicable Final Terms, notwithstanding anything to contrary and save as set out in the Credit Security Conditions (in the case of Credit Securities), for the purposes of this Condition 32 (*Interest (Certificates)*), if accrued interest is required to be calculated in respect of a period, which, but for this provision, would not be an Interest Period, notwithstanding anything to the contrary in the Conditions, for the purposes of calculating such interest, the final Interest Period End Date shall be the date such period ends on (but excludes) and the final Interest Determination Date shall be the earliest date on which the Calculation Agent determines that the Rate of Interest for the final Interest Period can be determined.

### 33. PREMIUM AMOUNT (CERTIFICATES)

- 33.1 If so specified in the applicable Final Terms the Certificates will not bear or pay interest but will pay one or more premium amounts, each such premium amount representing an amount payable by the Issuer as compensation for, and in recognition of, the assumption of the risk that in certain circumstances the Cash Settlement Amount payable on redemption of the Certificates may be less than the Issue Price or even zero.
- 33.2 A premium amount may be a fixed amount, a variable amount and/or an amount calculated by reference to the performance of one or more Index, Share, ETI Interest, Debt Instrument, Currency, Commodity, Inflation Index, Fund Share, Future, Listed Option Contract or any other underlying security or any combination thereof in the manner specified in the applicable Final Terms (such Certificates, "**Linked Premium Amount Certificates**").
- 33.3 Each Security will pay the Premium Amount on each Premium Amount Payment Date, provided that, if Automatic Early Redemption is specified as applicable in the applicable Final Terms, no Automatic Early Redemption Event has occurred on or prior to such Premium Amount Payment Date. If an Automatic Early Redemption Event has occurred, no Premium Amount will be paid on Premium Amount Payment Date.

33.4 The Premium Amount shall be paid as provided in Condition 35 (*Payments*).

33.5 Definitions relating to Premium Amount(s):

**"Premium Amount"** means, in respect of a Premium Amount Payment Date, an amount specified or calculated by the Calculation Agent on the basis set out, in either case in the applicable Final Terms;

**"Premium Amount Payment Date"** means each date specified as such in the applicable Final Terms.

33.6 The Calculation Agent will cause each Premium Amount for each Premium Amount Payment Date to be notified to the Principal Security Agent, the Issuer and the Guarantor (such notifications to occur no later than the Business Day following such determination), and if applicable, to any stock exchange on which the relevant Certificates are for the time being listed. In addition, the Calculation Agent shall publish or cause to be published such Premium Amount in accordance with Condition 10 as soon as possible after their determination but in no event later than the fourth Amsterdam Business Day thereafter.

## **34. REDEMPTION (CERTIFICATES)**

34.1 General

Unless the Certificates are Exercisable Certificates, subject as provided in these Terms and Conditions and as specified in the applicable Final Terms, each Certificate (other than a Credit Certificate) will be redeemed by the Issuer:

- (a) in the case of a Cash Settled Certificate, by payment of the Cash Settlement Amount; or
- (b) in the case of a Physical Delivery Certificate, subject as provided in Condition 5 and Condition 35, by delivery of the Entitlement; or
- (c) in the case of Certificates which may either be Cash Settled Certificates or Physical Delivery Certificates, depending on whether certain conditions are met, either (i) by payment of the Cash Settlement Amount or (ii) subject as provided in Condition 5 and Condition 35, by delivery of the Entitlement,

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

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

34.2 Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms, each Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such

redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 11 (Additional Terms and Conditions for Credit Securities). If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

### 34.3 Issuer Call Option

If Issuer Call Option is specified in the applicable Final Terms, the Issuer may, having given:

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

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

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Certificate, or Holders of French law Securities, Italian Dematerialised Certificates or Swedish Dematerialised Certificates or Finnish Dematerialised Securities will, unless otherwise provided in the applicable Final Terms, be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with Condition 10, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000.

### 34.4 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than 15 nor more than 30 days' notice (or such other period specified in the applicable Final Terms (the "**Notice Period**")) 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 Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "**Optional Redemption Valuation Date**") and in the manner specified in

the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms).

If the Certificate is held outside DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must deliver at the specified office of any Security Agent or the Registrar at any time during normal business hours of such Registrar or Security Agent falling within the Notice Period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Security Agent (a "**Put Notice**") and in which the Holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition 34.4, accompanied by the Certificate or evidence satisfactory to the Security Agent concerned that the Certificate will, following delivery of the Put Notice, be held to its order or under its control in a manner reasonably satisfactory to the Security Agent concerned. If the Certificate is held through DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System, to exercise the right to require redemption of the Certificate the Holder of the Certificate must, within the Notice Period, give notice to the Security Agent concerned of such exercise in accordance with the standard procedures of DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System (which may include notice being given on such Holder's instruction by DTC, Euroclear or Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System or any common depositary for them to the Security Agent by electronic means) in a form acceptable to DTC, Euroclear and Clearstream, Luxembourg, Euroclear France, Euroclear Netherlands, Monte Titoli, Euroclear Sweden, Euroclear Finland and/or any other relevant Clearing System from time to time. In the case of Finnish Dematerialised Certificates, in order to exercise this option the Holder must transfer or procure the transfer of the relevant Certificates to the account designed by the Finnish Security Agent and procure that such account is blocked for further transfer on or prior to the Optional Redemption Date. Any Put Notice given by a Holder of any Certificate pursuant to this Condition 34.4 shall be irrevocable.

#### 34.5 Redemption in Instalments

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

#### 34.6 Redemption of Partly Paid Certificates

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

#### 34.7 Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 11 (Additional Terms and Conditions for Credit Securities). Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Exercise Settlement Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.



### 34.8 Open End Certificates

If "Open End" is specified as applicable in the relevant Final Terms, unless the Certificates have previously been redeemed or purchased and cancelled, the Conditions of the Certificates will include:

- (i) with respect to French Law Securities, (a) an option for the Issuer to redeem each Certificate by payment of the Cash Settlement Amount on the Redemption Date of such Open End Certificates, which will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the Issuer, and such option is deemed exercised where the Issuer notifies the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer to the Holders at the latest ten (10) Business Days (or such other notice period specified in the applicable Final Terms) prior to the contemplated date in accordance with Condition 10 and (b) an option for the Holder of any Open End Certificate to give notice to the Issuer not less than the minimum notice period nor more than the maximum notice period, in each case, specified in the applicable Final Terms (the "**Notice Period**") and, upon the expiry of such Notice Period, the Issuer will redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), each such Certificate at the Cash Settlement Amount on the relevant Redemption Date. The Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date, determined by the Issuer and notified to Holder(s) in accordance with Condition 10. To validly exercise such option, the Holder must deliver a Put Notice in accordance with the provisions of the last paragraph of Condition 34.4 (save that references to Optional Redemption Date shall be deemed to refer to the Redemption Date); or
- (ii) with respect to English Law Securities, (a) an option for the Issuer to redeem each Certificate by payment of the Cash Settlement Amount on the Redemption Date of such Open End Certificates, which will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date determined by the Issuer, and such option is deemed exercised where the Issuer notifies the relevant Averaging Date, Observation Date, Strike Date or Valuation Date so-determined by the Issuer to the Holders at the latest ten (10) Business Days (or such other notice period specified in the applicable Final Terms) prior to the contemplated date in accordance with Condition 10 and/or (b) an option for the Holder of any Open End Certificate to give notice to the Issuer not less than the minimum notice period nor more than the maximum notice period, in each case, specified in the applicable Final Terms (the "**Notice Period**") and, upon the expiry of such Notice Period, the Issuer will redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), each such Certificate at the Cash Settlement Amount on the relevant Redemption Date. The Redemption Date of such Open End Certificates will, notwithstanding any provision to the contrary, be the date falling (5) five Business Days after the relevant Averaging Date, Observation Date, Strike Date or, as applicable, Valuation Date, determined by the Issuer and notified to Holder(s) in accordance with Condition 10. To validly exercise such option, the Holder must deliver a Put Notice in accordance with the provisions of the last paragraph of Condition 34.4 (save that references to Optional Redemption Date shall be deemed to refer to the Redemption Date).

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

### 34.9 Automatic Early Redemption (Certificates)

- (a) If "Automatic Early Redemption" is specified as applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Early Redemption Amount payable by the Issuer on such date upon redemption of each Certificate shall be an amount equal to the relevant Automatic Early Redemption Amount.
- (b) Definitions relating to Automatic Early Redemption

Unless otherwise specified in the applicable Final Terms:

**"Automatic Early Redemption Amount"** means (a) an amount in the Settlement Currency specified in the applicable Final Terms or if such amount is not specified, (b) amount equal to the product of (i) the Notional Amount in respect of each Certificate and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date;

**"Automatic Early Redemption Date"** means each date specified as such in the applicable Final Terms, or if such date is not a Business Day, the next following Business Day, and no Holder shall be entitled to any interest or further payment in respect of such delay;

**"Automatic Early Redemption Event"** means that (a) in the case of a single Underlying Reference, the Underlying Reference Level or (b) in the case of a Basket of Underlying References, the Basket Price is, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level as specified in the applicable Final Terms;

**"Automatic Early Redemption Level"** means the Level of the Underlying Reference specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in the Relevant Adjustment Provisions, as applicable;

**"Automatic Early Redemption Rate"** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms;

**"Automatic Early Redemption Valuation Date"** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day (in respect of Securities other than Commodity Securities or Custom Index Securities), a Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities), a Fund Business Day (in the case of Fund Securities) or a Business Day (in the case of other Securities), as applicable, the next following Scheduled Trading Day, Custom Index Business Day, Commodity Business Day, Fund Business Day or Business Day, as applicable, unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day (in respect of Securities other than Commodity Securities or Custom Index Securities), a Custom Index Disruption is occurring on such day (in respect of Custom Index Securities) or a Market Disruption Event is occurring on such day (in respect of Commodity Securities). If any such day is a Disrupted Day, a day on which a Custom Index Disruption is occurring or (except in the case of Commodity Securities) a day on which a Market Disruption Event is occurring, as applicable, then the corresponding provisions in the definition of "Valuation Date" shall apply *mutatis mutandis* as if references in such provisions to "Valuation Date" were to "Automatic

Early Redemption Valuation Date" or (in the case of Commodity Securities) if any such day is a day on which a Market Disruption Event is occurring, then the provisions of "Pricing Date" shall apply *mutatis mutandis* as if references in such provision to "Pricing Date" were to "Automatic Early Redemption Valuation Date". For the purposes of the Relevant Adjustment Provisions, any references to "Valuation Date" shall be deemed to refer to the "Automatic Early Redemption Valuation Date";

**"Basket of Underlying References"** means, for the purposes of this Condition 34.9, the Basket of Indices, Basket of Shares, ETI Basket, Basket of Debt Instruments, Basket of Commodities, Basket of Commodity Indices, Basket of Futures, Basket of Listed Options or other basis of reference to which the value of the relevant Securities may relate, as specified in the applicable Final Terms;

**"Basket Price"** means, in respect of any Automatic Early Redemption Valuation Date, an amount determined by the Calculation Agent equal to the sum of the values for each Underlying Reference as the product of (a) the Underlying Reference Level of such Underlying Reference on such Automatic Early Redemption Valuation Date and (b) the relevant Weighting;

**"Relevant Adjustment Provisions"** means:

- (a) in the case of Index Securities, Index Security Condition 2 (Market Disruption) and Index Security Condition 3 (Adjustments to an Index);
- (b) in the case of Custom Index Securities, Custom Index Security Condition 6 (Adjustments to a Custom Index and Custom Index Disruption), Index Security Condition 12 (Adjustments to a Custom Index and Custom Index Disruption (Equity Custom Index)) and Index Security Condition 17 (Adjustments to a Custom Index and Custom Index Disruption (Commodity Custom Index));
- (c) in the case of Share Securities, Share Security Condition 2 (Market Disruption), Share Security Condition 3 (Potential Adjustment Events) and Share Security Condition 4 (Extraordinary Events);
- (d) in the case of ETI Securities, ETI Security Condition 2 (Market Disruption) and ETI Security Condition 3 (Potential Adjustment Events), ETI Security Condition 6 (Consequences of an Extraordinary ETI Event), ETI Security Condition 10 (Market Disruption (ETI Shares)), ETI Security Condition 11 (Potential Adjustment Events (ETI Shares)); and ETI Security Condition 12 (Extraordinary Events (ETI Shares));
- (e) in the case of Commodity Securities, Commodity Security Condition 2 (Market Disruption), Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index);
- (f) in the case of Currency Securities, Currency Security Condition 3 (Consequences of a Disruption Event);
- (g) in the case of Futures Securities, Futures Security Condition 2 (Market Disruption), Futures Security Condition 3 (Adjustments to a Future), Futures Security Condition 4 (Non-Availability of a Future Price and Non-Commencement or Discontinuance of a Future) and Futures Security Condition 5 (Rolling Futures Contract Securities);

- (h) in the case of Fund Securities, Fund Security Condition 4 (Consequences of an Extraordinary Fund Event);
- (i) in the case of Debt Securities, Debt Security Condition 3 (Market Disruption), Debt Security Condition 4 (Correction of Debt Instrument Price) and Debt Security Condition 5 (Redemption or Cancellation of a Debt Instrument);
- (j) in the case of Listed Option Securities, Listed Option Condition 3 (Adjustments to a Listed Option Contract); and

"**Underlying Reference**" means, for the purposes of this Condition 34.9 each Index, Custom Index, Share, Debt Instrument, ETI Interest, Commodity, Commodity Index, Subject Currency, Future, Fund, Listed Option or other basis of reference to which the relevant Securities relate; and

"**Underlying Reference Level**" means, in respect of any Automatic Early Redemption Valuation Date, (a) in the case of Share Securities, ETI Securities, Futures Securities and Listed Option Securities the price of the relevant Underlying Reference, (b) in the case of Index Securities and Custom Index Securities, the level of the relevant Underlying Reference, (c) in the case of Commodity Securities, the Relevant Price, or (d) in the case of Currency Securities, the spot rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as the number of units (or part units) of such Subject Currency for which one unit of the Base Currency can be exchanged), or, (e) in the case of Debt Securities, the bid price of the relevant Underlying Reference as determined by the Calculation Agent by reference to the bid price for such Underlying Reference appearing on the Relevant Screen Page, in each case, as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date.

- (c) Accrual

Notwithstanding Condition 32(f), if Accrual to Automatic Early Redemption is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs on an Automatic Early Redemption Valuation Date, interest will cease to accrue on such Automatic Early Redemption Valuation Date.

## 35. PAYMENTS AND PHYSICAL DELIVERY (CERTIFICATES)

### 35.1 Payments

Except in the case of Registered Certificates, Swedish Dematerialised Certificates, Finnish Dematerialised Certificates and subject as provided below, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) for each Certificate by credit or transfer to the Holder's account with the relevant Clearing System or the Definitive Security Agent, as the case may be (in the case of English Law Certificates other than Swedish Dematerialised Certificates, the Finnish Dematerialised Certificates and Certificates held through Euroclear France ("**Euroclear France Certificates**") and in the case of Certificates held through Euroclear Netherlands ("**Euroclear Netherlands Certificates**") or with the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates) for value on the Redemption Date (or (a) in the case of Instalment Certificates, on the relevant Instalment Date; or (b) if Multiple Exercise is specified as applicable in the applicable Final Terms, on the relevant Exercise Settlement Date) less any Expenses,

such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be or Account Holder.

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

Where the Certificates pay Premium Amount(s), subject as provided below, the Issuer, failing which, the Guarantor, if any, shall pay or cause to be paid the Premium Amount for each Certificate in respect of each Premium Amount Payment Date by credit or transfer to the Holder's account with the relevant Clearing System for value on the relevant Premium Amount Payment Date, such payment to be made in accordance with the rules of such Clearing System.

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

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

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

In the case of Registered Certificates, the Issuer or, failing which, the Guarantor, if any, shall pay or cause to be paid the Cash Settlement Amount or Credit Event Redemption Amount (if any) (or in the case of Instalment Amount, each Instalment Amount) in respect of each Registered Certificate (whether or not in global form) against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Certificate at the specified office of the Registrar or any of the Security Agents by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear, Clearstream, Luxembourg and/or any other relevant Clearing System are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the

relevant due date (the "**Record Date**"). Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the amount of the Certificates held by a holder is less than U.S.\$250,000 (or integral multiples of U.S.\$1,000 in excess thereof) (or its approximate equivalent in any other Settlement Currency), payment will instead be made by a cheque in the Settlement Currency drawn on a Designated Bank (as defined below); and any payment in CNY will be made solely by transfer to the Designated Account in the CNY Settlement Centre(s) of the holder (or the first named of joint holders) of the Registered Certificate appearing in the Register. For these purposes, "**Designated Account**" means the account maintained by a holder with a Designated Bank and identified as such in the Register and "**Designated Bank**" means (i) (in the case of payment in a Settlement Currency other than euro or CNY) a bank in the principal financial centre of the country of such Settlement Currency; (ii) (in the case of a payment in euro) any bank which processes payments in euro; and (iii) (in the case of a payment in CNY) a bank in the CNY Settlement Centre(s).

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

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

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

A record of each payment made on such Registered Global Certificate, distinguishing between any payment of the Cash Settlement Amount and any Interest Amount, will be made on such Registered Global Certificate by the Registrar to which such Registered Global Certificate is presented for the

purpose of making such payment, and such record shall be *prima facie* evidence that the payment in question has been made.

The applicable Final Terms may also contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any holder of the relevant Registered Certificate (including, without limitation, unlawfulness, illegality, impossibility, force majeure, non-transferability or the like, each a "**Payment Disruption Event**"), the Issuer is not able to make, or any holder of the relevant Registered Certificate is not able to receive, as the case may be, payment on the due date and in the Specified Currency of any amount of principal or interest due under the Certificates.

If the applicable Final Terms specify "CNY Payment Disruption Event" to be applicable, in the event that the Calculation Agent determines, in its sole and absolute discretion, that a CNY Payment Disruption Event has occurred or is likely to occur and that such CNY Payment Disruption Event is material in relation to the Issuer's payment obligations under the Certificates in respect of any forthcoming Payment Date or other date on which any amount in respect of the Certificates shall be due and payable (each such date, an "**Affected Payment Date**"), then the Calculation Agent shall notify holders of the relevant Registered Certificates as soon as practicable of the occurrence of such CNY Payment Disruption Event in accordance with Condition 10.

Upon the occurrence of a CNY Payment Disruption Event:

(i) Postponement

If the applicable Final Terms specify "Postponement" to be applicable in respect of the Certificates, then the Affected Payment Date shall be postponed until the earlier of (A) the second Business Day following the day on which such CNY Payment Disruption Event ceases to exist, and (B) the date falling 14 calendar days following the original date on which the Affected Payment Date was scheduled to fall (the "**CNY Payment Disruption Cut-off Date**") and notice thereof shall be given to the relevant holders of the Registered Certificates in accordance with Condition 10. For the avoidance of doubt, no amount of interest shall be payable in respect of any delay in payment of any amount(s) due to the adjustment of any Affected Payment Date.

In the event that, pursuant to the preceding paragraph, the Affected Payment Date is adjusted to fall on the CNY Payment Disruption Cut-off Date and the Calculation Agent determines that a CNY Payment Disruption Event still exists on such day, then the Issuer shall make payment of the Equivalent Amount of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount or such other amount payable (if applicable) on the CNY Payment Disruption Cut-off Date and notice thereof shall be given to the relevant holders of the Registered Certificates in accordance with Condition 10. Any such payment made by the Issuer on the CNY Payment Disruption Cut-off Date shall be in full and final settlement of its obligations to pay such amount in respect of the Certificates.

(ii) Payment of Equivalent Amount

If the applicable Final Terms specify "Payment of Equivalent Amount" to be applicable in respect of the Certificates, the Issuer shall, upon giving notice prior to the relevant Affected Payment Date to the holders of the Registered Certificates in accordance with Condition 10, make payment of the Equivalent Amount of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount or such other amount payable (if applicable) on the relevant Affected Payment Date. Any such payment made by the Issuer

on an Affected Payment Date shall be in full and final settlement of its obligations to pay such amount in respect of the Certificates.

For these purposes:

"**CNY**" means Chinese Yuan or Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to CNY).

"**CNY Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the People's Republic of China, Hong Kong and any other CNY Settlement Centre(s).

"**CNY Payment Disruption Event**" means the occurrence of any of the following events:

- (A) an event which makes it impossible (where it had previously been possible) or impractical for the Issuer to convert any amounts due and payable in CNY under the Certificates into or from the Equivalent Amount Settlement Currency in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Inconvertibility Event**"). For the avoidance of doubt, the inability of the Issuer to convert CNY solely due to issues relating to its creditworthiness shall not constitute a CNY Inconvertibility Event;
- (B) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to deliver (i) CNY between accounts inside the relevant CNY Settlement Centre(s), or (ii) from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre) and outside Mainland China, or (iii) from an account outside the relevant CNY Settlement Centre(s) (including, if applicable, from an account inside another CNY Settlement Centre) and outside Mainland China to an account inside the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Non- Transferability Event**"); or
- (C) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to obtain a firm quote of an offer price in respect of any amounts due and payable in CNY under the Certificates (either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such amount) in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s) in order to perform its obligations under the Certificates (a "**CNY Illiquidity Event**"). For the avoidance of doubt, the inability of the Issuer to obtain such firm quote



solely due to issues relating to its creditworthiness shall not constitute a CNY Illiquidity Event.

**"CNY Settlement Centre"** means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no CNY Settlement Centre is specified in the applicable Final Terms, the CNY Settlement Centre will be Hong Kong.

**"Equivalent Amount"** means, following the occurrence of a CNY Payment Disruption Event and in respect of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount or such other amount payable (if applicable) on the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be (for these purposes, the **"Relevant CNY Amount"**), an amount in the Equivalent Amount Settlement Currency determined by the Calculation Agent (in its sole and absolute discretion), by converting the Relevant CNY Amount into the Equivalent Amount Settlement Currency using the Equivalent Amount Settlement Price for the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be.

**"Equivalent Amount Settlement Currency"** means the currency specified as such in the applicable Final Terms.

**"Equivalent Amount Settlement Price"** means, in respect of any relevant day, the spot rate of exchange between CNY and the Equivalent Amount Settlement Currency on such day, appearing on the Equivalent Amount Settlement Price Source at the Equivalent Amount Settlement Valuation Time on such day (expressed as a number of units (or part units) of CNY for which one unit of the Equivalent Amount Settlement Currency can be exchanged), or if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer CNY/Equivalent Amount Settlement Currency exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) at the Equivalent Amount Settlement Valuation Time on such day. If less than two leading dealers provide the Calculation Agent with bid and offer CNY/Equivalent Amount Settlement Currency exchange rates on such day, the Calculation Agent shall determine the Equivalent Amount Settlement Price in its discretion.

**"Equivalent Amount Settlement Price Source"** means the price source specified in the applicable Final Terms.

**"Equivalent Amount Settlement Valuation Time"** means, unless otherwise specified in the applicable Final Terms, or if not so specified the time at which the Equivalent Amount Settlement Price Source publishes the Equivalent Amount Settlement Price.

**"impossible"** or **"impossibility"** in relation to a CNY Payment Disruption Event, shall include (but shall not be limited to) any act which, if done or performed by the Issuer (or any affiliate of the Issuer) would be or result in the breach of any applicable law, rule, or regulation.

**"impractical"** or **"impracticality"** means, in relation to a CNY Payment Disruption Event and in respect of any action to be taken by the Issuer, that the Issuer (or any of its affiliates) would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action.

The holder of the relevant Registered Global Certificate shall be the only person entitled to receive payments in respect of Registered Certificates represented by such Registered Global Certificate and the payment obligations of the Issuer or the Guarantor (if applicable) will be discharged by payment to, or

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

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

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date, or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor, if any, or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of the Central Securities Depositories Regulation, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

If the determination of any amount in respect of interest or premium amount due in respect of the Certificates on an Interest Payment Date or Premium Amount Payment Date (such date a "**Scheduled Payment Date**") is calculated by reference to the valuation of one or more Underlying Reference(s) and the date (or final date, as the case may be) for such valuation is postponed or delayed as provided in the Terms and Conditions or in the applicable Final Terms to a date (such date the "**Delayed Date**") falling

less than two Business Days preceding such Scheduled Payment Date, notwithstanding any provision to the contrary in the Terms and Conditions or in the applicable Final Terms, such Interest Payment Date or Premium Amount Payment Date, as the case may be, shall be postponed to the day falling two Business Days following such Delayed Date and no interest, premium or other amount shall be payable on the Certificates in respect of such delay.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the relevant Issuer, the Guarantor (if applicable), the relevant Security Agent and the Registrar (in the case of Registered Securities) are subject.

## 35.2 Physical Delivery

### (a) Asset Transfer Notices

In relation to Physical Delivery Certificates, in order to obtain delivery of the Entitlement(s) in respect of any Certificate, the relevant Holder must (i) in the case of (a) Certificates represented by a Clearing System Global Certificate held by a Common Depository on behalf of Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System or by Euroclear France or by Euroclear Netherlands, or (b) Certificates represented by a Registered Global Certificate, deliver to Clearstream, Luxembourg or Euroclear and/or any other relevant Clearing System, as the case may be, or, as the case may be, the relevant Account Holder (in the case of Euroclear France Certificates or Euroclear Netherlands Certificates as the case may be), not later than 10.00 a.m. (Local Time) on the Cut-off Date, (ii) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, deliver to the New York Security Agent not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date, (iii) in the case of Certificates represented by Private Placement Definitive Certificates, deliver to the Definitive Security Agent, not later than 5.00 p.m., New York City time on the Business Day in New York preceding the Cut-off Date or (iv) in the case of Registered Certificates in the definitive form, deliver to the Registrar not later than 10.00 a.m. (Local Time) on the Cut-off Date, with a copy to the Principal Security Agent, a duly completed asset transfer notice (an "**Asset Transfer Notice**") in the form set out in the Agency Agreement in accordance with the provisions set out in this Condition 35.2.

Copies of the Asset Transfer Notice may be obtained during normal business hours from the specified office of any Security Agent or the Registrar, as the case may be.

In the case of Certificates represented by a Clearing System Global Certificate or Registered Global Certificate, an Asset Transfer Notice may only be delivered in such manner as is acceptable to the relevant Clearing System or, as the case may be, the relevant Account Holder, which is expected to be by authenticated SWIFT message or tested telex or, in the case of the New York Security Agent, by facsimile. In the case of Private Placement Definitive Certificates and definitive Registered Certificates, the Asset Transfer Notice may only be delivered by facsimile.

The Asset Transfer Notice shall:

- (i) specify the name, address and contact telephone number of the relevant Holder and the person from whom the Issuer may obtain details for the delivery of the Entitlement;
- (ii) specify the series number of the Certificates and the number of Certificates which are the subject of such notice;

- (iii) in the case of Clearing System Global Certificates or a Registered Global Certificate, specify the number of the Holder's securities account at the relevant Clearing System or, as the case may be, the relevant Account Holder to be debited with such Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be debited with such Certificates;
- (iv) (A) in the case of Clearing System Global Certificates or a Registered Global Certificate, irrevocably instruct the relevant Clearing System or, as the case may be, the relevant Account Holder to debit the relevant Holder's securities account with the relevant Certificates or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, irrevocably instruct the New York Security Agent to debit the relevant Holder's account with the relevant Certificates or (B) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, irrevocably instruct the Definitive Security Agent or Registrar, as the case may be, to remove from the Private Placement Register or Register, as the case may be, on or before the Redemption Date or (in the case of Credit Certificates) the Settlement Date the Certificates which are subject of such notice;
- (v) (A) in the case of Clearing System Global Certificates or a Registered Global Certificate, include an undertaking to pay all Expenses and an authority to the relevant Clearing System or, as the case may be, the relevant Account Holder to debit a specified account of the Holder with the relevant Clearing System or, as the case may be, the relevant Account Holder, in respect thereof and to pay such Expenses or, in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, an authority to the New York Security Agent to debit a specified account of the Holder and to pay such Expenses or (B) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, include an undertaking to pay all Expenses and an authority to the Definitive Security Agent or Registrar, as the case may be, to deduct an amount in respect thereof from any amount due to such Holder and/or debit a specified account of the Holder in respect thereof;
- (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 (A) in the case of Certificates represented by (i) a Clearing System Global Certificate held by a Common Depositary on behalf of Clearstream, Luxembourg and Euroclear and/or any other relevant Clearing System or (ii) a Registered Global Certificate, specify the name and number of the Holder's account with the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with any cash payable by the Issuer, either in respect of any amounts payable pursuant to Credit Security Condition 4, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of the occurrence of a Settlement Disruption Event or a Failure to Deliver due to Illiquidity and the Issuer electing to pay the Disruption Cash Settlement Price or Failure to Deliver Settlement Price, as applicable, or as a result of the Issuer electing to pay the Alternate Cash Amount, (B) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the details of the account to be credited with any cash payable by the Issuer, either in respect of any

amounts payable pursuant to Credit Security Condition 4, any other cash amount constituting the Entitlement or any dividends relating to the Entitlement or as a result of BNPP electing to pay the Alternate Cash Amount, or (C) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, specify the details of the account to be credited with any cash payable by BNPP either in respect of any cash amount constituting the Entitlement or any dividends relating to the Entitlement, or as a result of BNPP electing to pay the Alternate Cash Amount;

- (vii) with respect to Currency Securities only, (A) in the case of Clearing System Global Certificates other than a Rule 144A Global Certificate or a Registered Global Certificate, specify the number of the Holder's account to the relevant Clearing System or, as the case may be, the relevant Account Holder to be credited with the amount due upon redemption of the Certificates, (B) in the case of Currency Securities represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, specify the designated account at DTC to be credited with the amount due upon redemption of the Certificates, or (C) in the case of Private Placement Definitive Certificates or definitive Registered Certificates, specify the details of the account to be credited with the amount due upon redemption of the Certificates;
- (viii) certify, in the case of Clearing System Global Certificates other than a Rule 144A Global Certificate or Registered Certificates, that the beneficial owner of each Certificate is not a U.S. person (as defined in the Asset Transfer Notice), the Certificate is not being redeemed within the United States or on behalf of a U.S. person (as defined in the Asset Transfer Notice) and no cash, securities or other property have been or will be delivered within the United States or to, or for the account or benefit of, a U.S. person (as defined in the Asset Transfer Notice) in connection with any redemption thereof; and, where appropriate, including in the case of a Rule 144A Global Certificate, undertake to provide such various forms of certification in respect of restrictions under the securities, commodities and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms;
- (ix) in the case of Private Placement Definitive Certificates, include an undertaking to provide such various forms of certification in respect of restrictions under the securities, commodities, tax and other laws of the United States of America as required by BNPP or indicated and set out in the applicable Final Terms;
- (x) authorise the production of such certification in any applicable administrative or legal proceedings,

all as provided in the Agency Agreement.

If Condition 5.3 applies, the form of Asset Transfer Notice required to be delivered will be different from that set out above. Copies of such Asset Transfer Notice may be obtained from the relevant Clearing System or, as the case may be, the relevant Account Holder and the relevant Security Agent or the Registrar, as the case may be.

(b) Verification of the Holder

Upon receipt of an Asset Transfer Notice, the relevant Clearing System or, as the case may be, the relevant Account Holder shall verify that the person delivering the Asset Transfer Notice is the holder of the Certificates described therein according to its records. Subject thereto, the

relevant Clearing System or, as the case may be, the relevant Account Holder will confirm to the Principal Security Agent the series number and number of Certificates which are the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Principal Security Agent will inform the Issuer thereof. The relevant Clearing System or, as the case may be, the relevant Account Holder will on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date debit the securities account of the relevant Holder with the relevant Certificates.

In the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, upon receipt of an Asset Transfer Notice, the New York Security Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the records of DTC. Subject thereto, the New York Security Agent will confirm the series number and number of Certificates the subject of such notice, the relevant account details and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the New York Security Agent will inform BNPP thereof. The New York Security Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, debit the account of the relevant Holder with the relevant Certificates. In the case of Private Placement Definitive Certificates, upon receipt of an Asset Transfer Notice, the Definitive Security Agent shall verify that the person delivering the Asset Transfer Notice is the Holder according to the Private Placement Register. Subject thereto, the Definitive Security Agent will confirm the series number and number of Certificates the subject of such notice and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Definitive Security Agent will inform BNPP thereof. The Definitive Security Agent will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, update the Private Placement Register.

In the case of definitive Registered Certificates, upon receipt of an Asset Transfer Notice, the Registrar shall verify that the person delivering the Asset Transfer Notice is the Holder according to the Register. Subject thereto, the Registrar will confirm the series number and number of Certificates the subject of such notice and the details for the delivery of the Entitlement of each Certificate. Upon receipt of such confirmation, the Registrar will inform the Issuer thereof. The Registrar will, on or before the Delivery Date or (in the case of Credit Certificates) the Settlement Date, update the Register.

(c) Determinations and Delivery

Any determination as to whether an Asset Transfer Notice is duly completed and in proper form shall be made by (i) in the case of Clearing System Global Certificates (other than Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC) and a Registered Global Certificate, the relevant Clearing System or, as the case may be, the relevant Account Holder, (ii) in the case of Certificates represented by a Rule 144A Global Certificate held by a Custodian on behalf of DTC, the New York Security Agent, (iii) in the case of Private Placement Definitive Certificates, the Definitive Security Agent, or (iv) in the case of definitive Registered Certificates, the Registrar, in each case, in consultation with the Principal Security Agent, and shall be conclusive and binding on the Issuer, the Guarantor, if any, the Security Agents and the relevant Holder. Subject as set out below, any Asset Transfer Notice so determined to be incomplete or not in proper form, or which is not copied to the Principal Security Agent immediately after being delivered or sent to the relevant Clearing System or, as the case may be, the relevant Account Holder, the New York Security Agent, the Definitive Security Agent or the Registrar, as provided in paragraph (a) above, shall be null and void.

If such Asset Transfer Notice is subsequently corrected to the satisfaction of the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar or, as the case may be, the relevant Account Holder in consultation with the Principal Security Agent, it shall be deemed to be a new Asset Transfer Notice submitted at the time such correction was delivered to the relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar or, as the case may be, the relevant Account Holder and the Principal Security Agent.

The relevant Clearing System, the New York Security Agent, the Definitive Security Agent or the Registrar, as the case may be, or, as the case may be, the relevant Account Holder shall use its best efforts promptly to notify the Holder submitting an Asset Transfer Notice if, in consultation with the Principal Security Agent, it has determined that such Asset Transfer Notice is incomplete or not in proper form. In the absence of negligence or wilful misconduct on its part, none of the Issuer, the Guarantor, if any, the Security Agents, the Registrar or the relevant Clearing System or, as the case may be, the relevant Account Holder shall be liable to any person with respect to any action taken or omitted to be taken by it in connection with such determination or the notification of such determination to a Holder.

No Asset Transfer Notice may be withdrawn after receipt thereof by the relevant Clearing System, the relevant Account Holder, the Registrar or the relevant Security Agent, as the case may be, as provided above. After delivery of an Asset Transfer Notice, the relevant Holder may not transfer the Certificates which are the subject of such notice.

The Entitlement will be delivered at the risk of the relevant Holder, in the manner provided below on the Redemption Date (such date, subject to adjustment in accordance with this Condition, the "**Delivery Date**") or (in the case of Credit Certificates) the Settlement Date, provided that the Asset Transfer Notice is duly delivered to the relevant Clearing System or the relevant Security Agent or, as the case may be, the relevant Account Holder with a copy to the Principal Security Agent, as provided above on or prior to the Cut-Off Date.

If a Holder fails to give an Asset Transfer Notice as provided herein with a copy to the Principal Security Agent, on or prior to the Cut-Off Date, then the Entitlement will be delivered or, as the case may be, Delivered as soon as practicable after the Redemption Date (in which case, such date of delivery shall be the Delivery Date) or (in the case of Credit Certificates) the Settlement Date, at the risk of such Holder in the manner provided herein. For the avoidance of doubt, in such circumstances such Holder shall not be entitled to any payment, whether of interest or otherwise, as a result of the Delivery Date or the Settlement Date, as the case may be, falling after the Redemption Date or the originally designated Settlement Date, as applicable, and no liability in respect thereof shall attach to the Issuer or the Guarantor, if any.

The Issuer shall at the risk of the relevant Holder, deliver or procure the delivery of the Entitlement or (in the case of Credit Certificates) Deliver the Deliverable Obligations comprising the Entitlement for each Certificate, pursuant to the details specified in the Asset Transfer Notice or in such commercially reasonable manner as the Calculation Agent shall in its sole discretion determine and notify to the person designated by the Holder in the relevant Asset Transfer Notice. All Expenses arising from the delivery of the Entitlement or (in the case of Credit Certificates) Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, in respect of such Certificates shall be for the account of the relevant Holder and no delivery of the Entitlement or Delivery of the Deliverable Obligations comprising the Entitlement, as the case may be, shall be made until all Expenses have been paid to the satisfaction of the Issuer by the relevant Holder.

(d) General

Certificates held by the same Holder will be aggregated for the purpose of determining the aggregate Entitlements in respect of such Certificates, provided that the aggregate Entitlements in respect of the same Holder will be rounded down to the nearest whole unit of the Relevant Asset, each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, in such manner as the Calculation Agent shall determine. Therefore, fractions of the Relevant Asset, of each of the Relevant Assets, the Deliverable Obligation or the Deliverable Obligations, as the case may be, will not be delivered and in lieu thereof a cash adjustment calculated by the Calculation Agent in its sole and absolute discretion shall be paid to the Holder.

Following the Delivery Date of a Share Security or ETI Security all dividends on the relevant Shares or ETI Interests to be delivered will be payable to the party that would receive such dividend according to market practice for a sale of the Shares or ETI Interests executed on the Delivery Date and to be delivered in the same manner as such relevant Shares or ETI Interests. Any such dividends to be paid to a Holder will be paid to the account specified by the Holder in the relevant Asset Transfer Notice as referred to in Condition 35.2(a).

For such period of time after delivery of the Entitlement or (in the case of Credit Certificates) Delivery of the Deliverable Obligations as the Issuer or any person acting on behalf of the Issuer shall continue to be the legal owner of the securities or Deliverable Obligations comprising the Entitlement (the "**Intervening Period**"), none of the Issuer, the Guarantor, if any, the Calculation Agent nor any other person shall at any time (i) be under any obligation to deliver or procure delivery to any Holder any letter, certificate, notice, circular or any other document or, except as provided herein, payment whatsoever received by that person in respect of such securities, obligations or Deliverable Obligations, (ii) be under any obligation to exercise or procure exercise of any or all rights attaching to such securities, obligations or Deliverable Obligations or (iii) be under any liability to a Holder in respect of any loss or damage which such Holder may sustain or suffer as a result, whether directly or indirectly, of that person being registered during such Intervening Period as legal owner of such securities, obligations or Deliverable Obligations.

(e) Commodity Securities shall not be Physical Delivery Certificates.

**36. PRESCRIPTION (CERTIFICATES)**

Claims against the Issuer or the Guarantor, if any, for payment of principal, interest and/or Premium Amount in respect of the Certificates (other than Finnish Dematerialised Certificates) shall become void unless made within 60 months from the Redemption Date, or in the case of Finnish Dematerialised Certificates, within three years from the Redemption Date, and no claims shall be made after such date.

**37. RECOGNITION OF BAIL-IN AND LOSS ABSORPTION**

**37.1 Acknowledgement**

By its acquisition of the Securities, each Holder (which, for the purposes of this Condition 37, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:



- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below), which may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due (as defined below);
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Issuer (or, if applicable, the Guarantor) or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of the Securities (or, if applicable, the Guarantee), in which case the Holder agrees to accept in lieu of its rights under the Securities (or, if applicable, the Guarantee) any such shares, other securities or other obligations of the Issuer (or, if applicable, the Guarantor) or another person;
  - (iii) the cancellation of the Securities (or, if applicable, the Guarantee); and/or
  - (iv) (A) (in the case of Certificates) the amendment or alteration of the term of the Securities (or, if applicable, the Guarantee) or amendment of the amount of interest payable on the Securities, (or, if applicable, the Guarantee) or the date on which the interest becomes payable, including by suspending payment for a temporary period; or (B) (in the case of Warrants) the amendment or alteration of the exercise date or exercise period of the Securities (or, if applicable, the Guarantee);
- (b) that the terms of the Securities (or, if applicable, the Guarantee) are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are:

- (i) (in the case of Certificates) (a) the amounts payable on, or the Entitlement deliverable in respect of each Security, that has not been previously redeemed or cancelled or is otherwise no longer due or (b) the amounts payable by the Guarantor under the Guarantee; or
- (ii) (in the case of Warrants) (a) the amounts payable on, or the Entitlement deliverable in respect of, each Security on exercise or cancellation or (b) the amounts payable by the Guarantor under the Guarantee.

### 37.2 Bail-in or Loss Absorption Power

For these purposes, the "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time, the "**BRRD**"), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of

the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "**Regulated Entity**" is to any entity referred to in Section I of Article L.613- 34 of the French *Code monétaire et financier* which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

### **37.3** Payment of Interest (in the case of Certificates) and Other Outstanding Amounts Due

No repayment or payment of the Amounts Due will become due and payable or be paid after the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor) unless, at the time such repayment or payment, respectively, is scheduled to become due, such repayment or payment would be permitted to be made by the Issuer under the laws and regulations in effect in France and the European Union applicable to the Issuer (or, if applicable, the Guarantor) or other members of its group.

### **37.4** No Event of Default

None of a cancellation of the Securities, a reduction, in part or in full, of the Amounts Due, the conversion thereof into another security or obligation of the Issuer (or, if applicable, the Guarantor) or another person, as a result of the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Issuer (or, if applicable, the Guarantor) or the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities will be an event of default or otherwise constitute non-performance of a contractual obligation, or entitle the Holder to any remedies (including equitable remedies) which are hereby expressly waived.

### **37.5** Notice to Holders

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority with respect to the Securities, the Issuer (or, if applicable, the Guarantor) will give notice to the Holders in accordance with Condition 10 (Notices) as soon as practicable regarding such exercise of the Bail-in or Loss Absorption Power. The Issuer (or, if applicable, the Guarantor) will also deliver a copy of such notice to the Principal Security Agent for information purposes, although the Principal Security Agent shall not be required to send such notice to Holders. Any delay or failure by the Issuer (or, if applicable,

the Guarantor) to give notice shall not affect the validity and enforceability of the Bail-in or Loss Absorption Power nor the effects on the Securities described in Condition 37.1 above.

### **37.6** Duties of the Principal Security Agent

Upon the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority, the Issuer (or, if applicable, the Guarantor) and each Holder (including each holder of a beneficial interest in the Securities) hereby agree that (a) the Principal Security Agent shall not be required to take any directions from Holders, and (b) the Agency Agreement shall impose no duties upon the Principal Security Agent whatsoever, in each case with respect to the exercise of any Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

Notwithstanding the foregoing, if, following the completion of the exercise of the Bail-In Power by the Relevant Resolution Authority, any Securities remain outstanding (for example, if the exercise of the Bail-In Power results in only a partial write-down of the principal of the Securities), then the Principal Security Agent's duties under the Agency Agreement shall remain applicable with respect to the Securities following such completion to the extent that the Issuer (or, if applicable, the Guarantor) and the Principal Security Agent shall agree pursuant to an amendment to the Agency Agreement.

### **37.7** Pro-rating

If the Relevant Resolution Authority exercises the Bail-in or Loss Absorption Power with respect to less than the total Amounts Due, unless the Principal Security Agent is otherwise instructed by the Issuer (or, if applicable, the Guarantor) or the Relevant Resolution Authority, any cancellation, write-off or conversion made in respect of the Securities pursuant to the Bail-in or Loss Absorption Power will be made on a pro-rata basis.

### **37.8** Conditions Exhaustive

The matters set forth in this Condition 37 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Issuer (or, if applicable, the Guarantor) and any holder of a Security.

## ANNEX 1

### ADDITIONAL TERMS AND CONDITIONS FOR INDEX SECURITIES

The terms and conditions applicable to Index Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Index Security 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 Index Security Conditions, the Index Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Index Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Basket of Indices**" means a basket composed of each Index specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

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

"**Clearance System Days**" means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

"**Component Security**" means, in respect of a Composite Index, each component security of such Index;

"**Component Security Index**" means any Index specified as such in the applicable Final Terms or, if not so specified, any Index which the Calculation Agent determines to be such an Index;

"**Composite Index**" means any Index which is either a Component Security Index or a Multi-Exchange Index;

"**Disrupted Day**" means:

- (a) in respect of any Composite Index, any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of such Index, (ii) the Related Exchange fails to open for trading during its regular trading session, or (iii) a Market Disruption Event has occurred; and
- (b) in respect of an Index that is not a Composite Index, any Scheduled Trading Day on which (i) the relevant Exchange and/or any Related Exchange fails to open for trading during its regular trading session or (ii) a Market Disruption Event has occurred;

"**Early Closure**" means:

- (a) in respect of a Composite Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or Related Exchange (as the case may be) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or Related Exchange (as the case may be) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day; and

- (b) in the case of an Index which is not a Composite Index, the closure on any Exchange Business Day of any relevant Exchange(s) relating to securities that comprise 20 per cent. or more of the level of the relevant Index or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means:

- (a) in the case of a Composite Index, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent; and
- (b) in the case of any Index which is not a Composite Index, in respect of such Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the securities comprising such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the securities comprising such Index on such temporary substitute exchange or quotation system as on the original Exchange);

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

**"Exchange Business Day (All Indices Basis)"** means any Scheduled Trading Day on which:

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

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

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

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

**"Exchange Business Day (Single Index Basis)"** means any Scheduled Trading Day on which:

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

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

**"Exchange Disruption"** means:

- (a) in respect of a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for (i) any Component Security on the Exchange in

respect of such Component Security or (ii) in futures or options contracts relating to such Index on the Related Exchange; and

- (b) in the case of an Index which is not a Composite Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, on any relevant Exchange(s) in securities that comprise 20 per cent. or more of the level of the relevant Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the relevant Index on any relevant Related Exchange;

**"Index"** and **"Indices"** mean, subject to adjustment in accordance with this Annex 1, the index or indices specified in the applicable Final Terms and related expressions shall be construed accordingly;

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

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

**"Multi-Exchange Index"** means any Index specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

**"Related Exchange"** means, in relation to an Index, each exchange or quotation system specified as such for such Index in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index;

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

**"Scheduled Trading Day (All Indices Basis)"** means any day on which:

- (a) in respect of any Indices other than Composite Indices, each Exchange and each Related Exchange, if any, in respect of such Indices are scheduled to be open for trading during their respective regular trading session(s); or
- (b) in respect of any Composite Indices:
  - (i) the Index Sponsor is scheduled to publish the level of such Composite Indices; and
  - (ii) either:

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

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

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

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

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



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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 1 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date" in the General Conditions, as the case may be:

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

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

**"Trading Disruption"** means:

- (a) in respect of a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to such Index on the Related Exchange; and
- (b) in the case of an Index which is not a Composite Index, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or Related Exchange or otherwise: (i) relating to securities that comprise 20 per cent. or more of the level of the relevant Index; or (ii) in futures or options contracts relating to the relevant Index on any relevant Related Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means:

- (a) in respect of a Composite Index either:

- (i) (A) the occurrence or existence, in respect of any Component Security, of:
  - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
  - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
  - (3) an Early Closure in respect of such Component Security; and
- (B) in respect of a Multi-Exchange Index only, the aggregate of all Component Securities in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Index; or
- (ii) the occurrence or existence, in respect of futures or options contracts relating to such Index, of: (A) a Trading Disruption; (B) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one-hour period that ends at the Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

In the case of a Multi-Exchange Index, for the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Index shall be based on a comparison of (x) the portion of the level of such Index attributable to that Component Security to (y) the overall level of such Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data"; and

- (b) in the case of Indices other than Composite Indices, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event in respect of such Index exists at any time, if a Market Disruption Event occurs in respect of a security included in such Index at any time, then the relevant percentage contribution of that security to the level of the Index shall be based on a comparison of (A) the portion of the level of such Index attributable to that security and (B) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### 3. Adjustments to an Index

#### 3.1 Successor Index Sponsor Calculates and Reports an Index

If a relevant Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Index, then in each case that index (the "**Successor Index**") will be deemed to be the Index.

#### 3.2 Modification and Cessation of Calculation of an Index

If (a) on or prior to the last Averaging Date, the last Observation Date or the last Valuation Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Index or in any other way materially modifies that Index (other than a modification prescribed in that formula or method to maintain that Index in the event of changes in constituent stock and capitalisation and other routine events) (an "**Index Modification**"), or permanently cancels a relevant Index and no Successor Index exists (an "**Index Cancellation**"), or (b) on an Averaging Date, an Observation Date or a Valuation Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Index (an "**Index Disruption**" and, together with an Index Modification and an Index Cancellation, each an "**Index Adjustment Event**"), then, except as may be limited in the case of U.S. Securities:

- (a) the Calculation Agent shall determine if such Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant Settlement Price using, in lieu of a published level for that Index, the level for that Index as at the Valuation Time on that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Index immediately prior to that Index Adjustment Event; or
- (b) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (c) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will

be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or

- (ii) if Delayed Redemption on Occurrence of Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Index Adjustment Event (the "**Calculated Index Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount.

### 3.3 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to paragraph 3.2 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 4. Correction of Index

If the level of the Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor, (a) in respect of a Composite Index, no later than five Exchange Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the level to be used shall be the level of the Index as so corrected, except that any corrections published after the day which is three Exchange Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

## 5. Custom Index

Index Security Conditions 6 to 8 apply if "Custom Index" is specified as applicable in the applicable Final Terms. In the event of any inconsistency between the provisions of Index Security Conditions 6 to 8 and the other Index Security Conditions, the provisions of Index Security Conditions 6 to 8 shall prevail.

## 6. Adjustments to a Custom Index and Custom Index Disruption

### 6.1 Successor Index Sponsor Calculates and Reports an Index

If a relevant Custom Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent, or (b) replaced by a successor custom index using, in the determination of the Calculation Agent, the same or a substantially similar

formula for and method of calculation as used in the calculation of that Custom Index, then in each case that custom index (the "**Successor Custom Index**") will be deemed to be the Custom Index.

## 6.2 Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption

If (a) on or prior to the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent components and capitalisation, contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels a relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index or it is not a Custom Index Business Day (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), then:

- (a) in the case of Custom Index Securities relating to a single Custom Index where Scheduled Custom Index Business Days (Single Custom Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, notwithstanding the Custom Index Disruption and the Calculation Agent shall determine the Settlement Price by using commercially reasonable efforts to determine the level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;
  - (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date), an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date), the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
    - (A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, a Valuation Date, an Averaging Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may

be, shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date, or an Observation Date, as the case may be) unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date, or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date, a Valuation Date, or an Observation Date, as the case may be) and may determine the Settlement Price by using commercially reasonable efforts to determine a level of the Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of each Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (E) in the case of Certificates:
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable

Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10; or

II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate specified in the applicable Final Terms, or if no rate is specified in the applicable Final Terms, no amount of additional interest shall be payable; or

(F) in the case of a Custom Index Modification which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of the Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

(b) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (All Custom Indices Basis) is specified as applicable in the applicable Final Terms, then:

(i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring in respect of any Custom Index (each an "**Affected Custom Index**") on the last Valuation Date, last Averaging Date or last Observation Date, then such Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of any

of the Custom Indices in the Basket, unless there is a Custom Index Disruption in respect of any one of the Custom Indices in the Basket on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket, notwithstanding the Custom Index Disruption in respect of an Affected Custom Index and the Calculation Agent shall determine the Settlement Price by using (X) in respect of any Custom Index which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Custom Index Security Condition 8 and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine the level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index;

- (ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:
  - (A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date, a Valuation Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date or Observation Date, as the case may be, for all Custom Indices in the Basket shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date or an Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of any Custom Index (each an "**Affected Custom Index**") comprised in the Basket unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date, a Valuation Date or an Observation Date, as the case may be) for all Custom Indices in the Basket and may determine the Settlement Price by using (X) in respect of any Custom Index in the Basket which is not an Affected Custom Index, the method provided for in part (i) of the definition of "Settlement Price" contained in Custom Index Security Condition 8 (Definitions relating



to Custom Indices) below and (Y) in respect of any Custom Index in the Basket which is an Affected Custom Index, commercially reasonable efforts to determine a level of the relevant Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

- (B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index and shall be deemed to be a "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or
- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of each Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (E) in the case of Certificates:
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or

- II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate specified in the applicable Final Terms, or if no rate is specified in the applicable Final Terms, no amount of additional interest shall be payable; or
  - (F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket which occurs on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.
- (c) in the case of Custom Index Securities relating to a Basket of Custom Indices where Scheduled Custom Index Business Days (Per Custom Index Basis) is specified as applicable in the applicable Final Terms, then:
  - (i) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the last Valuation Date, last Averaging Date or last Observation Date, then the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index not affected by the occurrence of the Custom Index Disruption shall be the scheduled last Valuation Date, last Averaging Date or last Observation Date, as the case may be, and the Valuation Date, Averaging Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index, unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Valuation Date, Averaging Date or Observation Date, as the case may be, in which case the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Valuation Date, Averaging Date or Observation Date, as the case may be, for the relevant Affected Custom Index and the Calculation Agent shall determine the Settlement Price by using commercially reasonable efforts to determine the level of

the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Affected Custom Index;

(ii) following a Custom Index Modification or Custom Index Cancellation at any time or a Custom Index Disruption (which in the latter case occurs or is occurring on the Strike Date, an Averaging Date (other than the last Averaging Date) or an Observation Date (other than the last Observation Date) or a Valuation Date (other than the last Valuation Date) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so:

(A) if the Custom Index Adjustment Event is a Custom Index Disruption which occurs or is occurring on the Strike Date, an Averaging Date, a Valuation Date or an Observation Date, the Calculation Agent may determine that the Strike Date, relevant Averaging Date, Valuation Date or Observation Date, as the case may be, for each Custom Index in the Basket not affected by the occurrence of the Custom Index Disruption shall be the scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, and the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, for each Custom Index in the Basket affected by the Custom Index Disruption (each an "**Affected Custom Index**") shall be the first succeeding Scheduled Custom Index Business Day (in the case of the Strike Date) or Valid Date (in the case of an Averaging Date, a Valuation Date or an Observation Date, as the case may be) on which a Custom Index Disruption is not occurring in respect of such Affected Custom Index unless there is a Custom Index Disruption on each of the number of consecutive Scheduled Custom Index Business Days equal to the Specified Maximum Days of Disruption immediately following the scheduled Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be, in which case the Calculation Agent may determine that the last such consecutive Scheduled Custom Index Business Day shall be deemed to be the Strike Date, Averaging Date, Valuation Date or Observation Date, as the case may be (irrespective, in the case of an Averaging Date, a Valuation Date or an Observation Date, of whether that last consecutive Scheduled Custom Index Business Day is already an Averaging Date, a Valuation Date or an Observation Date, as the case may be) for the relevant Affected Custom index and may determine the Settlement Price by using commercially reasonable efforts to determine a level of the relevant Affected Custom Index as of the Valuation Time on the last such consecutive Scheduled Custom Index Business Day in accordance with the formulae for and method of calculating the relevant Affected Custom Index last in effect prior to the occurrence of the Custom Index Disruption and using its good faith estimate of the value for the components of the Custom Index; or

(B) the Calculation Agent may use commercially reasonable efforts to select a successor index with a substantially similar strategy as the original Custom Index and, upon selection of such index, the Calculation Agent shall promptly notify the Holders and such index shall become the Successor Custom Index

and shall be deemed to be the "Custom Index" for the purpose of the Securities and the Calculation Agent will make such adjustment, if any, to one or more of the terms of the Securities as the Calculation Agent in its sole and absolute discretion determines appropriate; or

- (C) the Calculation Agent may determine in its sole and absolute discretion such other appropriate adjustments, if any, to be made to the terms of the Securities to account for the Custom Index Adjustment Event and determine the effective date of those adjustments; or
- (D) in the case of Warrants, the Calculation Agent may require the Issuer to cancel the Warrants, in which case it will so notify the Issuer and the Issuer will give notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant being cancelled at an amount equal to the fair market value of a Warrant, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (E) in the case of Certificates;
  - I. unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may require the Issuer to redeem the Certificates, which case it will so notify the Issuer and the Issuer will give notice to the Holders in accordance with General Condition 10. If the Certificates are so redeemed, the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - II. if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Event Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Adjustment Event Amount

plus interest accrued from and including the Calculated Custom Index Adjustment Event Amount Determination Date to but excluding the Redemption Date at a rate specified in the applicable Final Terms, or if no rate is specified in the applicable Final Terms, no amount of additional interest shall be payable; or

- (F) in the case of a Custom Index Modification which occurs in respect of a Custom Index in the Basket on the last Valuation Date, last Averaging Date or last Observation Date only, the Calculation Agent may elect to calculate the level of such Custom Index, using in lieu of the published level for the Custom Index as of the Valuation Date, Averaging Date or Observation Date, as the case may be, the level of the Custom Index as of that date determined by the Calculation Agent in accordance with the formula for and method of calculating the Custom Index last in effect prior to the Custom Index Modification but using only those components that comprised the Custom Index prior to the Custom Index Modification.

### 6.3 Custom Index Low Closing Trigger Event

This Index Security Condition 6.3 will apply in respect of Certificates where Custom Index Low Closing Trigger Event is specified as applicable in the applicable Final Terms.

#### (a) Definitions

**"Custom Index Low Closing Trigger Event"** means, in respect of a Custom Index and a Low Closing Trigger Period, the Closing Level of such Custom Index on any Scheduled Custom Index Business Day during such Low Closing Trigger Period is less than or equal to the Low Closing Trigger Level;

**"Low Closing Trigger Level"** means, in respect of a Custom Index, an amount equal to the product of (i) the Strike Price and (ii) the Low Closing Trigger Percentage;

**"Low Closing Trigger Percentage"** means the percentage specified as such in the applicable Final Terms; and

**"Low Closing Trigger Period"** means the period specified as such in the applicable Final Terms, or if not so specified, the period from and including the Strike Date to (but excluding) the Redemption Valuation Date.

#### (b) Consequences of a Custom Index Low Closing Trigger Event

If, in the determination of the Calculation Agent, a Custom Index Low Closing Trigger Event has occurred, then:

- (i) unless Delayed Redemption on Occurrence of Custom Index Low Closing Trigger Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed, the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of such Certificate taking into account the Custom Index Low Closing Trigger Event, less, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent

in its sole and absolute discretion. Payment will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or

- (ii) if Delayed Redemption on Occurrence of Custom Index Low Closing Trigger Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Custom Index Low Closing Trigger Event, less, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Low Closing Trigger Event Amount**") as soon as practicable following the occurrence of the Custom Index Low Closing Trigger Event (the "**Calculated Custom Index Low Closing Trigger Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to the Calculated Custom Index Low Closing Trigger Event Amount plus interest accrued from and including the Calculated Custom Index Low Closing Trigger Event Amount Determination Date to but excluding the Redemption Date at a rate specified in the applicable Final Terms, or if no rate is specified in the applicable Final Terms, no amount of additional interest shall be payable.

#### 6.4 Outstanding Securities Trigger Event

This Index Security Condition 6.4 will apply in respect of Certificates where Outstanding Securities Trigger Event is specified as applicable in the applicable Final Terms.

##### (a) Definitions

**"Outstanding Securities Trigger Event"** means, in the determination of the Calculation Agent, at any time after the Issue Date the total number of Certificates then outstanding falls below the Outstanding Securities Trigger Level; and

**"Outstanding Securities Trigger Level"** means the number of Certificates specified as such in the applicable Final Terms.

##### (b) Consequences of an Outstanding Securities Trigger Event

If, in the determination of the Calculation Agent, an Outstanding Securities Trigger Event has occurred, then:

- (i) unless Delayed Redemption on Occurrence of Outstanding Securities Trigger Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed, the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of such Certificate taking into account the Outstanding Securities Trigger Event, less, the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (ii) if Delayed Redemption on Occurrence of Outstanding Securities Trigger Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Outstanding Securities Trigger Event, less, the cost to the Issuer and/or its Affiliates of unwinding

any underlying related hedging arrangements (the "**Calculated Outstanding Securities Trigger Event Amount**") as soon as practicable following the occurrence of the Outstanding Securities Trigger Event (the "**Calculated Outstanding Securities Trigger Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to the Calculated Outstanding Securities Trigger Event Amount plus interest accrued from and including the Calculated Outstanding Securities Trigger Event Amount Determination Date to but excluding the Redemption Date at a rate specified in the applicable Final Terms, or if no rate is specified in the applicable Final Terms, no amount of additional interest shall be payable.

#### 6.5 Notice

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to Index Security Condition 6.2, Index Security Condition 6.3 or Index Security Condition 6.4 above and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

### 7. Correction of Custom Index

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

### 8. Definitions relating to Custom Indices

Unless otherwise specified in the applicable Final Terms:

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

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

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

"**Custom Index**" or "**Custom Indices**" mean, subject to adjustment in accordance with this Annex 1, any index or indices specified as such in the applicable Final Terms, or if not so specified, any Index which the Calculation Agent determines to be such an Index;

"**Custom Index Business Day**" means either (a) in the case of a single Custom Index, Custom Index Business Day (Single Custom Index Basis) or (b) in the case of a Basket of Custom Indices, Custom Index Business Day (All Indices Custom Basis) or Custom Index Business Day (Per Index Basis), in

each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Custom Index Business Day (All Custom Indices Basis) shall apply;

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

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

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

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

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

**"Disrupted Day"** means any Scheduled Custom Index Business Day on which a Custom Index Disruption has occurred or is continuing in the sole and absolute discretion of the Calculation Agent;

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

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

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

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



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

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

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, subject to the provisions of this Annex 1 and as referred to in "Valuation Date" or "Averaging Date" or "Observation Date" contained herein, as the case may be:

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

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

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

**"Strike Price"** means unless otherwise specified in the applicable Final Terms, and subject as referred to in "Strike Date" above:

- (a) in the case of Index Securities relating to a single Custom Index, an amount equal to the level of the Custom Index as published by the Index Sponsor as determined by the Calculation Agent or, if so specified in the applicable Final Terms, the level of the Custom Index determined by the Calculation Agent as set out in the applicable Final Terms at the Valuation Time on the Strike Date; and

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

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

**"Valuation Date"** means, the date (in the case of Warrants), or the Interest Valuation Date and/or Automatic Early Redemption Valuation Date and/or Redemption Valuation Date (in the case of Certificates), as the case may be, specified in the applicable Final Terms or, if such day is not a Scheduled Custom Index Business Day, the immediately succeeding Scheduled Custom Index Business Day unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case the provisions of Index Security Condition 6.2 (Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption) shall apply; and

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time by reference to which the Index Sponsor determines the level of the Index in its sole and absolute discretion.

## **9. Futures Price Valuation**

- 9.1 If "Futures Price Valuation" is specified as applicable in relation to an Index in the applicable Final Terms, in respect of such Index, the following provisions shall apply to these Index Security Conditions:

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 1:

- (a) in the case of Index Securities relating to a Basket of Indices and in respect of each Index comprising the Basket of Indices, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of such Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Index Securities relating to a single Index, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Index Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Exchange-traded Contract in respect of the Index as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies in relation to any Index or (in the case of a Basket of Indices any constituent Index) any reference to such Index or constituent Index in the definition of Scheduled Trading Day will be deemed not to apply and instead a Scheduled Trading Day must be a day on which the Official Settlement Price is published by the relevant Futures or Options Exchange in relation to each such Index to which Futures Price Valuation applies.

The Disrupted Day provisions in these Index Security Conditions will not apply in relation to any Index or (in the case of a Basket of Indices, any Index comprising the Basket) in respect of which Futures Price Valuation applies, unless there is a Non-Commencement or Discontinuance of the Exchange-traded Contract, in which case the Disrupted Day provisions will apply to the relevant Index or constituent Index.

For these purposes:

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Index Security Condition 9.2 (Rolling Futures Contract Securities) below.

**"Exchange-traded Contract"** means, in relation to an Index, the futures or options contract(s) specified as such for the Index in the applicable Final Terms, in each case, identified by reference to (a) the Index to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means, in respect of an Index, the relevant exchange specified in the description of the Exchange-traded Contract for such Index in the applicable Final Terms.

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent in its sole and absolute discretion within the period (**"Futures Rollover Period"**) specified in the applicable Final Terms.

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

**"Official Settlement Price"** means the official settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

## 9.2 Rolling Futures Contract Securities

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Index that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of 9.3 (Adjustments to an Exchange-traded Contract) or 9.4 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a

Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (b) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Non-Commencement or Discontinuance of the Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Non-Commencement or Discontinuance of the Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount.

### 9.3 Adjustments to an Exchange-traded Contract

Without duplication of Index Security Condition 3 (Adjustments to an Index) or Index Security Condition 4 (Correction of Index) (which shall govern in the event of a conflict), in the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

### 9.4 Non-Commencement or Discontinuance of an Exchange-traded Contract

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Official Settlement Price for any Valuation Date, Observation Date, Averaging Date or any other relevant date for valuation or observation, as the case may be, of the relevant Index shall be deemed to be the level of the relevant Index at the close of the regular trading session on the relevant Exchange or, in the case of a Composite Index, the time at which the official closing level of the Index is calculated and published by the Index Sponsor, in each case on the Valuation Date, Observation Date, Averaging Date or other relevant date.

#### 9.5 Correction of the Official Settlement Price

With the exception of any corrections published after the day which is three Business Days prior to the due date for any payment under the Securities, if the Official Settlement Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Futures or Options Exchange, (a) in respect of a Composite Index, no later than five Business Days following the date of the original publication, or (b) in respect of an Index which is not a Composite Index, within the number of days equal to the Index Correction Period of the original publication, the Official Settlement Price to be used shall be the Official Settlement Price as so corrected. Corrections published after the day which is three Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.

### 10. Equity Custom Index Provisions

If an Index is specified as a "Custom Index" in the applicable Final Terms and in respect of such Index the Asset Class Type is specified as "Equity Custom Index" in the applicable Final Terms, in respect of such Index, Index Security Conditions 6 to 8 will apply, as amended and supplemented by Index Security Conditions 11 to 14 below. In the event of any inconsistency between the provisions of Index Security Conditions 10 to 14 and the other Index Security Conditions (including Index Security Conditions 6 to 8), the provisions of Index Security Conditions 10 to 14 shall prevail.

### 11. General

All references in the Security Conditions and the Index Security Conditions to a "Custom Index" shall, in respect of such Custom Index, be deemed to be to an Equity Custom Index. All references in the Security Conditions and the Index Security Conditions to a "Custom Index Business Day" or a "Scheduled Custom Index Business Day" shall, in respect of such Custom Index be deemed to be to a "Scheduled Trading Day".

### 12. Adjustments to a Custom Index and Custom Index Disruption

#### 12.1 Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption

Index Security Condition 6.2 shall be deleted and replaced with the following:

"If (a) on or prior to the Strike Date, the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent stock and capitalisation and other routine events) (a "**Custom Index Modification**"), or permanently cancels the relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on the Strike Date, a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index

Sponsor fails to calculate and announce a relevant Custom Index (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), except as may be limited in the case of U.S. Securities, then:

- (a) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the relevant value, level or price using, in lieu of a published level for that Custom Index, the level for that Custom Index as at the Valuation Time on that Strike Date, that Valuation Date, that Observation Date or that Averaging Date, as the case may be, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Custom Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised that Custom Index immediately prior to that Custom Index Adjustment Event; or
- (b) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (c) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Securities by giving notice to Holders in accordance with General Condition 10. If the Securities are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Security taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Custom Index Adjustment Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Security taking into account the Custom Index Adjustment Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Custom Index Adjustment Amount**") as soon as practicable following the occurrence of the Custom Index Adjustment Event (the "**Calculated Custom Index Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Custom Index Adjustment Amount plus interest accrued from and including the Calculated Custom Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount."

## 12.2 Equity Custom Index Market Disruption

**"Equity Custom Index Market Disruption Event"** means either:

- (a) the occurrence or existence, in respect of any Component Security, of:
  - (i) an Equity Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded;
  - (ii) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one-hour period that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; or
  - (iii) an Early Closure in respect of such Component Security; and
- (b) in respect of a Multi-Exchange Index only, the aggregate of all Component Securities in respect of which an Equity Trading Disruption, an Exchange Disruption or an Early Closure occurs or exists comprises 20 per cent. or more of the level of such Multi-Exchange Index.

In the case of a Multi-Exchange Index, for the purposes of determining whether an Equity Custom Index Market Disruption Event exists in respect of a Component Security at any time, if an Equity Custom Index Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of such Multi-Exchange Index shall be based on a comparison of (x) the portion of the level of such Multi-Exchange Index attributable to that Component Security to (y) the overall level of such Multi-Exchange Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### **13. Correction of Custom Index**

Index Security Condition 7 shall be deleted and replaced with the following:

"If the level of the Custom Index published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction is published by the relevant Index Sponsor or (if applicable) the relevant Successor Index Sponsor no later than five Business Days following the date of the original publication, the level to be used shall be the level of the Custom Index as so corrected, except that any corrections published after the day which is three Business Days prior to a due date for payment under the Securities calculated by reference to the level of the Custom Index will be disregarded by the Calculation Agent for the purposes of determining the relevant amount to be paid.".

### **14. Definitions**

**"Averaging Date"** has the meaning given to it in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates), in either case, in respect of Index Securities relating to a single Index (that is a Component Security Index);

**"Component Security"** means each component security comprising a Custom Index;

**"Disrupted Day"** means any Scheduled Trading Day on which (i) the Index Sponsor fails to publish the level of the relevant Custom Index or (ii) an Equity Custom Index Market Disruption Event has occurred;

**"Early Closure"** means the closure on any Exchange Business Day of the Exchange in respect of any Component Security prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange system for execution at the relevant Valuation Time on such Exchange Business Day;

**"Equity Custom Index" or "Equity Custom Indices"** means, subject to adjustment in accordance with this Annex 1, any index or indices specified as a Custom Index in the applicable Final Terms and which has which the Asset Class Type specified in the applicable Final Terms as "Equity";

**"Equity Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or otherwise relating to any Component Security on the Exchange in respect of such Component Security;

**"Exchange"** means, in respect of each Component Security, the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent;

**"Exchange Business Day"** means, in respect of a Custom Index, any Scheduled Trading Day on which:

- (a) the relevant Index Sponsor publishes the level of such Custom Index; and
- (b) each Exchange in respect of such Custom Index is open for trading during its regular trading session, notwithstanding such Exchange(s) closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for any Component Security on the Exchange in respect of such Component Security;

**"Multi-Exchange Index"** means any Custom Index which the Calculation Agent determines to be a Multi-Exchange Index;

**"Observation Date"** has the meaning given to it in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates), in either case, in respect of Index Securities;

**"Scheduled Trading Day"** means, in respect of a Custom Index, any day on which:

- (a) the relevant Index Sponsor is scheduled to publish the level of such Custom Index; and
- (b) each Exchange in respect of such Custom Index is scheduled to be open for trading during its regular trading session;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, eight Scheduled Trading Days;

**"Strike Date"** has the meaning given to it in Condition 1 in respect of Index Securities relating to a single Index (that is a Component Security Index); and



"**Valuation Date**" has the meaning given to it in Condition 20 (in the case of Warrants) and Condition 28 (in the case of Certificates), in either case in respect of Index Securities relating to a single Index (that is a Component Security Index).

## **15. Commodity Custom Index Provisions**

If an Index is specified as a "Custom Index" in the applicable Final Terms and in respect of such Index the Asset Class Type is specified as "Commodity Custom Index" in the applicable Final Terms, in respect of such Index, Index Security Conditions 6 to 8 will apply, as amended and supplemented by Index Security Conditions 16 to 19 below. In the event of any inconsistency between the provisions of Index Security Conditions 15 to 19 and the other Index Security Conditions (including Index Security Conditions 6 to 8), the provisions of Index Security Conditions 15 to 19 shall prevail.

## **16. General**

All references in the Security Conditions and the Index Security Conditions to a "Custom Index" shall, in respect of such Custom Index, be deemed to be to the Commodity Custom Index. All references in the Security Conditions and the Index Security Conditions to a "Custom Index Business Day" or a "Scheduled Custom Index Business Day" shall, in respect of such Custom Index, be deemed to be to a "Commodity Business Day".

## **17. Adjustments to a Custom Index and Custom Index Disruption**

### **17.1 Modification and Cessation of Calculation of a Custom Index and Custom Index Disruption**

Index Security Condition 6.2 shall be deleted and replaced with the following:

"If (a) on or prior to the Strike Date, the last Valuation Date, the last Observation Date or the last Averaging Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating the relevant Custom Index or in any other way materially modifies that Custom Index (other than a modification prescribed in that formula or method to maintain that Custom Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Custom Index Modification**"), or permanently cancels the relevant Custom Index and no Successor Custom Index exists (a "**Custom Index Cancellation**"), or (b) on the Strike Date, a Valuation Date, an Observation Date or an Averaging Date, the Index Sponsor or (if applicable) the Successor Custom Index Sponsor fails to calculate and announce a relevant Custom Index (a "**Custom Index Disruption**" and, together with a Custom Index Modification and a Custom Index Cancellation, each a "**Custom Index Adjustment Event**"), except as may be limited in the case of U.S. Securities, then:

- (a) the Calculation Agent shall determine if such Custom Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the Commodity Reference Price using, in lieu of a published level for the relevant Custom Index, the Commodity Fallback Value; or
- (b) the Issuer may cancel (in the case of Warrants) or redeem (in the case of Certificates) the Securities by giving notice to Holders in accordance with General Condition 10. If the Securities are so cancelled or redeemed, the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of a Security, taking into account the Custom Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10."

## 17.2 Commodity Custom Index Market Disruption

### (a) Commodity Custom Index Market Disruption Event

"**Commodity Custom Index Market Disruption Event**" means, in respect of a relevant Custom Index and as determined by the Calculation Agent, the occurrence or existence of a Price Source Disruption, Commodity Trading Disruption, Disappearance of Commodity Reference Price, Limit Price Event, Material Change in Formula, Material Change in Content, Tax Disruption and/or an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Holders, in accordance with General Condition 10 of the occurrence of a Commodity Custom Index Market Disruption Event and the action proposed to be taken in relation thereto.

### (b) Consequences of a Commodity Custom Index Market Disruption Event and Disruption Fallbacks

Upon a Commodity Custom Index Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent may, in its sole and absolute discretion, take the action described in (i), (ii) or (iii) below:

- (i) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so shall calculate the relevant Interest Amount (in the case of Certificates) and/or Cash Settlement Amount and/or make any other relevant calculation using, in lieu of a published price or level for the relevant Custom Index the level for such Custom Index as determined by the Calculation Agent using the Commodity Fallback Value; or
- (ii) the Calculation Agent may substitute the relevant Commodity Reference Price or Index Component with a Commodity Reference Price or Index Component, as the case may be, selected by it in its sole and absolute discretion (each, a "**Substitute Commodity Reference Price**" or a "**Substitute Index Component**") for each Commodity Reference Price or Index Component, as the case may be, (each, an "**Affected Commodity Reference Price**" or "**Affected Index Component**", as the case may be), which is affected by the Commodity Custom Index Market Disruption Event and the Substitute Commodity Reference Price or Substitute Index Component, as the case may be, will be deemed to be a "**Commodity Reference Price**" or an "**Index Component**", as the case may be, for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the Exercise Price (in the case of Warrants) and/or Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Commodity Reference Price or the initial price of the Index Component, as the case may be, the Substitute Commodity Reference Price or the initial price of the Substitute Index Component, as the case may be, will be determined by the Calculation Agent in its sole and absolute discretion.

Such substitution and the relevant adjustment(s) will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion which may, but need not, be the relevant date of the Commodity Custom Index Market Disruption Event. Such substitution will be notified to the Holders as soon as practicable after the Substitution Date in accordance with General Condition 10; or

- (iii) the Issuer may cancel (in the case of Warrants) or redeem (in the case of Certificates) all but not some only of the Securities, each Security being cancelled or redeemed by payment of an amount equal to the fair market value of such Security, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10;

## 18. Correction of Custom Index

Index Security Condition 7 shall be deleted and replaced with the following:

"With the exception of any corrections published after the day which is three Commodity Business Days prior to the due date for any payment under the Securities, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the relevant Commodity Reference Price as so corrected. Corrections published after the day which is three Commodity Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount."

## 19. Definitions

"**Averaging Date**" means each date specified as such in the applicable Final Terms or, if any such date is not a Commodity Business Day, the immediately following Commodity Business Day unless, in the opinion of the Calculation Agent, any such day is a day on which a Commodity Custom Index Market Disruption Event has occurred or is continuing, in which case the provisions of Index Security Condition 17.2(b) (Consequences of a Commodity Custom Index Market Disruption Event and Disruption Fallbacks) shall apply;

"**Commodity Business Day**" means a day in respect of which the relevant Price Source published (or, but for the occurrence of a Commodity Custom Index Market Disruption Event, would have published) a price for the relevant Custom Index;

"**Commodity Custom Index**" or "**Commodity Custom Indices**" means, subject to adjustment in accordance with this Annex 1, any index or indices specified as a Custom Index in the applicable Final Terms and which has the Asset Class Type specified in the applicable Final Terms as "Commodity" comprising one or more commodities, commodity futures contracts or indices linked to a single commodity or multiple commodities (each an "**Index Component**");

"**Commodity Fallback Value**" means, in respect of a Custom Index, the price for such Custom Index, in respect of the relevant Pricing Date determined by the Calculation Agent using the current applicable method of calculating such Custom Index using the price or level for each Index Component determined as follows:

- (a) in respect of each Index Component which is not affected by the Commodity Custom Index Market Disruption Event, the closing price or level or settlement price, as applicable, of such Index Component on such Pricing Date; and
- (b) in respect of each Index Component which is affected by the Commodity Custom Index Market Disruption Event (each an "**Affected Item**"), the closing price or level or settlement price, as applicable, for such Affected Item on the first succeeding Pricing Date that is not a Disrupted

Day, unless each of the number of consecutive Pricing Dates equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Disrupted Day. In that case, (i) the last such consecutive Pricing Date shall be deemed to be the Pricing Date for the Affected Item, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the price or level of such Affected Item based upon the price at which the Issuer is able to sell or otherwise realise any hedge positions in respect of the Securities during the period of five Commodity Business Days following the last such consecutive Pricing Date;

**"Commodity Reference Price"** means, in respect of a Pricing Date, the daily official level of the Custom Index, as published by the Price Source;

**"Commodity Trading Disruption"** means the material suspension of, or the material limitation imposed on, trading in any relevant Index Component on the Exchange. For these purposes:

- (a) a suspension of the trading in the Index Component on any Commodity Business Day shall be deemed to be material only if:
  - (i) all trading in the Index Component is suspended for the entire Pricing Date; or
  - (ii) all trading in the Index Component is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Index Component on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and
- (b) a limitation of trading in the relevant Index 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 Index Component may fluctuate and the closing or settlement price of the relevant Index Component on such day is at the upper or lower limit of that range;

**"Disappearance of Commodity Reference Price"** means 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 Index Component;

**"Disrupted Day"** means any day on which a Commodity Custom Index Market Disruption Event has occurred;

**"Exchange"** means, in respect of a Custom Index, the exchange or principal trading market for each Index Component comprising such Custom Index;

**"Index Component Disruption Event"** means:

- (a) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published on any date between the Issue Date and such Pricing Date that is not a price published by the usual exchange or price source (whether by a failure of such exchange or price source to publish a price for an Index Component or otherwise), but is a price determined by the Price Source; or
- (b) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published by the usual exchange or price source on any date between the Issue Date and such Pricing Date that, in the opinion of the Calculation Agent, has been calculated or published subject to the occurrence of market

disruption or similar, or otherwise not in accordance with the usual, then-current, method used by such exchange or price source;

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

**"Material Change in Content"** means the occurrence after the Trade Date of a material change in the content, composition or constitution of the relevant Index Component;

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

**"Observation Date"** means each date specified as an Observation Date in the applicable Final Terms or if any such date is not a Commodity Business Day, the immediately following Commodity Business Day. The provisions contained in the definition of "Averaging Date" shall apply if any such day is a day on which a Commodity Custom Index Market Disruption Event has occurred or is continuing, *mutatis mutandis* as if references in such provisions to "Averaging Date" were to "Observation Date" unless Observation Day Disruption Consequences is specified as not applicable in the applicable Final Terms, in which case such date will be an Observation Date notwithstanding the occurrence of a Commodity Custom Index Market Disruption Event and the provisions of Index Security Condition 17.2(b) (Consequences of a Commodity Custom Index Market Disruption Event and Disruption Fallbacks) shall apply;

**"Price Source"** means the Index Sponsor;

**"Price Source Disruption"** means (a) the failure of the Price Source to announce or publish the Commodity Reference Price, or (b) the temporary or permanent discontinuance or unavailability of the Price Source;

**"Pricing Date"** means each date specified in the applicable Final Terms as being the Strike Date, an Averaging Date, an Observation Date, a Valuation Date, an Automatic Early Redemption Valuation Date or the Valuation Date or if any such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day, unless, in the opinion of the Calculation Agent, such day is a Disrupted Day, in which case, the relevant Pricing Date shall be the first succeeding Commodity Business Day that is not a Disrupted Day, unless each of the number of consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date notwithstanding the fact that such day is a Disrupted Day, and (B) the Calculation Agent shall take action in accordance with the provisions of Index Security Condition 17.2(b) (Consequences of a Commodity Custom Index Market Disruption Event and Disruption Fallbacks);

**"Relevant Price"** means, for any Pricing Date, the price, expressed as the price of any Index Component, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Index Security Conditions and the applicable Final Terms;

**"Scheduled Pricing Date"** means any original date that, but for the occurrence of an event causing a Commodity Custom Index Market Disruption Event, would have been a Pricing Date;

**"Settlement Price"** means the Commodity Reference Price;

**"Specified Maximum Days of Disruption"** means the number of days specified in the applicable Final Terms, or if not so specified, five Commodity Business Days;

**"Strike Date"** means the date specified as such in the applicable 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, any Index Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

**"Valuation Date"** means the date specified as such in the applicable Final Terms.

## ANNEX 2

### ADDITIONAL TERMS AND CONDITIONS FOR SHARE SECURITIES

The terms and conditions applicable to Share Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Share Security 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 Share Security Conditions, the Share Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Share Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

**"Basket Company"** means each company specified as such in the applicable Final Terms and **"Basket Companies"** means all such companies;

**"Basket of Shares"** means (a) a basket composed of Shares of each Basket Company specified in the applicable Final Terms in the weightings or numbers of Shares of each Basket Company specified in the applicable Final Terms or (b) a Relative Performance Basket;

**"China Connect Disruption"** means (a) any suspension of or limitation imposed on routing of orders (whether in respect of buy orders only, sell orders only or both buy and sell orders) through the China Connect Service, relating to the Share(s) on any relevant China Connect Exchange or (b) any event (other than a China Connect Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of the market participants in general to enter orders in respect of the Share(s) through the China Connect Service;

**"China Connect Early Closure"** means the closure on any Exchange Business Day of the China Connect Service prior to its Scheduled Closing Time unless such earlier closing time is announced by SEHK or any relevant China Connect Exchange, as the case may be, at least one hour prior to the earlier of (a) the actual closing time for routing orders through the China Connect Service on such Exchange Business Day and (b) the submission deadline for orders to be entered into the China Connect Service system for execution on any relevant China Connect Exchange at the Valuation Time on such Exchange Business Day;

**"China Connect Exchange"** means each of the Shanghai Stock Exchange, the Shenzhen Stock Exchange and any other exchange in mainland China eligible for providing the China Connect Service from time to time;

**"China Connect Service"** means the securities trading and clearing links programme developed by the China Connect Exchanges, SEHK, CSDCC and HKSCC, through which (a) SEHK and/or its affiliates provides order routing and other related services for certain eligible securities traded on any relevant China Connect Exchange and (b) CSDCC and HKSCC provides clearing, settlement, depository and other services in relation to such securities;

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

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Disrupted Day"** means any Scheduled Trading Day on which (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session, (ii) a Market Disruption Event has occurred or (iii) if "China Connect" is specified as applicable in the applicable Final Terms, the China Connect Service fails to open for routing orders during its regular order routing session;

**"Early Closure"** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange"** means, in respect of a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange);

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

**"Exchange Business Day (All Shares Basis)"** means, in respect of a Basket of Shares, any Scheduled Trading Day on which (a) each Exchange and each Related Exchange, if any, are open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time and (b) if "China Connect" is specified as applicable in the applicable Final Terms, the China Connect Service is open for routing orders in respect of all Shares comprised in the Basket of Shares and traded and cleared through the China Connect Service during its regular order routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Share Basis)"** means, in respect of a Share, any Scheduled Trading Day on which (a) the relevant Exchange and the relevant Related Exchange, if any, in respect of such Share are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time and (b) if "China Connect" is specified as applicable in the applicable Final Terms in respect of such Share, the China Connect Service is open for routing orders in respect of such Share during its regular order routing sessions, notwithstanding the China Connect Service closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Share Basis)"** means any Scheduled Trading Day on which (a) the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time and (b) if "China Connect" is specified as applicable in the applicable Final Terms, the China Connect Service is open for routing orders during its regular order routing sessions, notwithstanding the China Connect Service 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 (a) to effect



transactions in, or obtain market values for, the Share on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the Share on any relevant Related Exchange;

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation Agent in its sole and absolute discretion;

**"Related Exchange"** means, in relation to a Share, each exchange or quotation system specified as such for such Share in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such Share has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Share;

**"Relative Performance Basket"** means a basket composed of Shares of each Basket Company specified in the applicable Final Terms where no weighting shall be applicable and where the Cash Settlement Amount shall be determined by reference to the Share which is either (a) the best performing, (b) the worst performing, or (c) any other performance measure that is applied to the Shares, in each case as specified in the applicable Final Terms;

**"Scheduled Trading Day"** means either (a) in the case of a single Share, Scheduled Trading Day (Single Share Basis) or (b) in the case of a Basket of Shares, (i) Scheduled Trading Day (All Shares Basis) or (ii) Scheduled Trading Day (Per Share Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per Share Basis) shall apply;

**"Scheduled Trading Day (All Shares Basis)"** means, in respect of a Basket of Shares, (a) any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all Shares comprised in the Basket of Shares during their respective regular trading session(s) and (b) if "China Connect" is specified as applicable in the applicable Final Terms, the China Connect Service is scheduled to be open for routing orders for its regular order routing sessions;

**"Scheduled Trading Day (Per Share Basis)"** means, in respect of a Share, (a) any day on which the relevant Exchange and the relevant Related Exchange in respect of such Share are scheduled to be open for trading during their respective regular trading session(s) and (b) if "China Connect" is specified as applicable in the applicable Final Terms in respect of such Share, the China Connect Service is scheduled to be open for routing orders for its regular order routing sessions;

**"Scheduled Trading Day (Single Share Basis)"** means (a) any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s) and (b) if "China Connect" is specified as applicable in the applicable Final Terms, the China Connect Service is scheduled to be open for routing orders for its regular order routing sessions;

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 2 and as referred to in "Strike Date", "Averaging Date", "Observation Date" or "Valuation Date" in the General Conditions, as the case may be:

- (a) in the case of Share Securities relating to a Basket of Shares and in respect of each Share comprising the Basket, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such Share whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of such Share or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and
- (b) in the case of Share Securities relating to a single Share, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such Share on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the Share based, at the Calculation Agent's discretion, either on the arithmetic mean of the foregoing prices or middle market quotations provided to it by two or more financial institutions (as selected by the Calculation Agent) engaged in the trading of the Share or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable

Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

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

**"Shares"** and **"Share"** mean, subject to adjustment in accordance with this Annex 2, in the case of an issue of Securities relating to a Basket of Shares, each share and, in the case of an issue of Securities relating to a single Share, the share, specified in the applicable Final Terms and related expressions shall be construed accordingly;

**"Share Company"** means, in the case of an issue of Securities relating to a single Share, the company that has issued such Share;

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

**"Stapled Shares"** mean the two or more shares that are attached to each other, such that:

- (a) each such share may not be held, owned, sold, transferred, purchased or otherwise dealt with as an individual share and may only be dealt with as a single unit of such attached shares;
- (b) such attached shares are issued with a single ISIN; and
- (c) where applicable, such attached shares are listed and admitted to trading as a single unit,

each constituent share comprising the Stapled Shares being a **"Stapled Share Constituent"**; and

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (a) relating to the Share on the Exchange; or (b) in futures or options contracts relating to the Share on any relevant Related Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single Share or a Basket of Shares, in respect of a Share, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, (c) an Early Closure or (d) if "China Connect" is specified as applicable in the applicable Final Terms, (i) a China Connect Disruption which the Calculation Agent determines is material at any time during the one hour period that ends at the relevant Valuation Time or (ii) a China Connect Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

### 3. Potential Adjustment Events

**"Potential Adjustment Event"** means any of the following:

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

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant Basket Company or Share Company, as the case may be, as determined by the Calculation Agent in its sole and absolute discretion.

Except as may be limited in the case of U.S. Securities, following the declaration by the Basket Company or Share Company, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Shares and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for

changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant Share) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the Shares traded on that options exchange.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10, stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

#### **4. Extraordinary Events**

- 4.1 The occurrence of any of De-Listing, Insolvency, Merger Event, Nationalisation, Stapling, Tender Offer (unless Tender Offer is specified as not applicable in the applicable Final Terms), or, if specified as applicable in the applicable Final Terms, Illiquidity, Listing Change, Listing Suspension, China Connect Share Disqualification or China Connect Service Termination, as the case may be, shall be an **"Extraordinary Event"**, the consequences of which are set forth in Share Security Condition 4.2.

**"China Connect Share Disqualification"** means, on or after the Trade Date, the Shares cease to be accepted as "China Connect Securities" (as defined in the rules of SEHK) for the purposes of the China Connect Service.

**"China Connect Service Termination"** means, on or after the Trade Date, the announcement by any one or more of the China Connect Exchanges, SEHK, the CSDCC, HKSCC or any regulatory authority with competent jurisdiction of a suspension or termination of the China Connect Service or a part thereof for any reason which materially affects the routing of orders in respect of, or holding of, the Shares through the China Connect Service and the Calculation Agent determines that there is a reasonable likelihood that such suspension or termination is not, or will not be, temporary.

**"CSDCC"** means the China Securities Depository and Clearing Corporation.

**"De-Listing"** means, in respect of any relevant Shares, the Exchange announces that pursuant to the rules of such Exchange, such Shares cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union in a member state of the European Union).

**"HKSCC"** means the Hong Kong Securities Clearing Company Limited.

**"Illiquidity"** means, in respect of Share Securities relating to a Basket of Shares, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days, notwithstanding the occurrence of a Disrupted Day, falling after the Issue Date (the **"Relevant Period"**), (a) the difference between the bid prices and the ask prices in respect of a Share during the Relevant Period is greater than 1 per cent. (based on an arithmetic mean average over the Relevant Period), and/or (b) the arithmetic mean average purchase price or the arithmetic mean average selling price, determined by the Calculation Agent from the order book of the relevant Share on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of Shares with a value equal to or greater than

EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of Shares) or lower than the MID minus 1 per cent. (in relation to a sale of Shares). For these purposes, "**MID**" means an amount equal to (i) the sum of the bid price and the ask price, in each case for the relevant Share at the relevant time, (ii) divided by two.

"**Insolvency**" means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the Basket Company or Share Company, as the case may be, (a) all the Shares of that Basket Company or Share Company, as the case may be, are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the Shares of that Basket Company or Share Company, as the case may be, become legally prohibited from transferring them.

"**Listing Change**" means, in respect of any relevant Shares, that such Shares cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such Shares were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Offer).

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

"**Merger Event**" means, in respect of any relevant Shares, any (a) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share exchange of a Basket Company or Share Company, as the case may be, with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of the Basket Company or Share Company, as the case may be, that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share exchange of the Basket Company or its subsidiaries or the Share Company or its subsidiaries, as the case may be, with or into another entity in which the Basket Company or Share Company, as the case may be, is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates).

"**Nationalisation**" means that all the Shares or all or substantially all the assets of the Basket Company or Share Company, as the case may be, are nationalised, expropriated or are otherwise transferred to any governmental agency, authority, entity or instrumentality thereof.

"**SEHK**" means the Stock Exchange of Hong Kong Limited.

"**Stapling**" means, in the determination of the Calculation Agent, a Share becomes a Staple Share Constituent.

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the Basket Company or Share Company, as the case may be, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

#### 4.2 Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Share, the Issuer in its sole and absolute discretion may take the action described in paragraph (a), (b), (c) (in the case of Warrants), (d) (in the case of Certificates) or (e) (in each case, if applicable) or, in the case of Securities relating to a Basket of Shares (f) below (except as may be limited in the case of U.S. Securities):

- (a) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Shares or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the Shares traded on that options exchange. In addition, in relation to a Basket of Shares, the Calculation Agent may adjust the Basket of Shares in accordance with the provisions of sub-paragraph (f) below;
- (b) in the case of Share Securities relating to a Basket of Shares, cancel (in the case of Warrants) or redeem (in the case of Certificates) in part by giving notice to Holders in accordance with General Condition 10. If the Securities are so cancelled or redeemed, as the case may be, in part the portion (the "**Settled Amount**") of each Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, representing the affected Share(s) shall be cancelled or redeemed, as the case may be, and the Issuer will:
  - (i) pay to each Holder in respect of each Security or Unit, as the case may be, held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; and
  - (ii) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation or redemption, as the case may be, in part.

For the avoidance of doubt the remaining part of each Security or Unit, as the case may be, after such cancellation or redemption, as the case may be, and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10;

- (c) in the case of Warrants, on giving notice to Holders in accordance with General Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10;
- (d) in the case of Certificates;
  - (i) unless Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with General Condition 10 redeem all but not some only of the Certificates at the amount equal to the fair market value of a Certificate taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Notional Amount;
- (e) following such adjustment to the settlement terms of options on the Shares traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the Shares are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary Event, that in the determination of



the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded; or

- (f) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of Shares to include a Share selected by it in accordance with the criteria for Share selection set out below (each, a "**Substitute Share**") for each Share (each, an "**Affected Share**") of each Basket Company (each, an "**Affected Basket Company**") which is affected by such Extraordinary Event and the Substitute Share will be deemed to be a "**Share**" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that (i) in the case of Certificates, in the event that any amount payable under the Certificates was to be determined by reference to the Initial Price of the Affected Share, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula, and (ii) in the case of Warrants, the Exercise Price will be determined by the Calculation Agent in accordance with the following formula:

$$\text{Initial Price (in the case of Certificates) / Exercise Price (in the case of Warrants)} = A \times (B/C)$$

where:

"**A**" is the official closing price of the relevant Substitute Share on the relevant Exchange on the Substitution Date;

"**B**" is, in the case of Warrants, the Exercise Price, or, in the case of Certificates, the Initial Price of the relevant Affected Share; and

"**C**" is the official closing price of the relevant Affected Share on the relevant Exchange on the Substitution Date or, in the case of Stapling, the official closing price of the relevant Affected Share on the Scheduled Trading Day immediately preceding the Extraordinary Event Effective Date.

Such substitution and the relevant adjustment to the Basket of Shares will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

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

In order to be selected as a Substitute Share, the relevant share must satisfy the following criteria, in the sole and absolute discretion of the Calculation Agent:

- (i) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and the relevant share is not already included in the Basket of Shares, the relevant share shall be an ordinary share of the entity or person (other than the Affected Basket Company) involved in the Merger Event or the making of the Tender Offer, that is, or that as of the relevant Extraordinary Event Effective Date is promptly scheduled to be, (A) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the

European Union, in any member state of the European Union) and (B) not subject to any currency exchange controls, trading restrictions or other trading limitations; or

- (ii) where the relevant Extraordinary Event is a Merger Event or a Tender Offer and a share would otherwise satisfy the criteria set out in sub-paragraph (i) above, but such share is already included in the Basket of Shares or such share does not satisfy the criteria set out in sub-paragraph (i) above, or in the case of an Extraordinary Event other than a Merger Event or a Tender Offer:
  - (A) the relevant issuer of the share shall belong to the same economic sector as the Affected Basket Company; and
  - (B) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the Affected Basket Company.

Notwithstanding the foregoing, in the case of Stapling, the Affected Share may be substituted with the Stapled Shares and the provisions of Share Security Condition 13 shall apply in respect of such Stapled Shares.

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto including, in the case of a Share Substitution, the identity of the Substitute Shares and the Substitution Date.

## **5. Correction of Share Price**

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

## **6. Dividend Payment**

If "Dividend Payment" is specified as being applicable in the applicable Final Terms, the following provisions shall apply to the Securities:

- (a) In the event that on or after the Issue Date a Cash Dividend is paid by the Share Company or Basket Company, as the case may be, notwithstanding any provisions in these Terms and Conditions to the contrary, the Calculation Agent shall calculate (i) the relevant Distributed Amount and (ii) the relevant Dividend Date.
- (b) As soon as practicable following the Dividend Date, the Issuer shall give notice (a "**Cash Dividend Notice**") to the Holders in accordance with General Condition 10 of the Cash Dividend and the relevant Cash Dividend Payment Date and the Issuer, or failing which the Guarantor, if applicable, shall pay to each Holder on the Cash Dividend Payment Date an

amount equal to the Cash Dividend Amount in respect of each Security held by him on the Cash Dividend Payment Date, provided that if the relevant Dividend Date has not occurred prior to the Actual Exercise Date (in the case of Warrants) or the Redemption Date (in the case of Certificates), the Issuer shall not be obliged to pay such Cash Dividend Amount and the Issuer and/or the Guarantor, if applicable, shall have no further obligation in respect thereof.

- (c) The Cash Dividend Notice shall specify the manner in which the Cash Dividend Amount shall be paid to each Holder.

For the purposes of this Share Security Condition 6 the following definitions shall apply:

**"Cash Dividend"** means any cash dividend paid by the Share Company or Basket Company in respect of a Share;

**"Cash Dividend Amount"** means, in respect of a Security, an amount calculated by the Calculation Agent equal to the Distributed Amount less a pro rata share of Dividend Expenses, such amount to be converted into the Settlement Currency at an exchange rate determined by the Calculation Agent in its sole and absolute discretion on or as soon as practicable after the Dividend Date;

**"Cash Dividend Payment Date"** means, in respect of a Cash Dividend, the date specified as such in the relevant Cash Dividend Notice;

**"Distributed Amount"** means, in respect of a Cash Dividend, the amount of such dividend paid by the Share Company in respect of a Share, as determined by the Calculation Agent in its sole and absolute discretion;

**"Dividend Date"** means, in respect of a Cash Dividend, the date on which such Cash Dividend would be received by a holder of the Share as determined by the Calculation Agent in its sole and absolute discretion; and

**"Dividend Expenses"** means all present, future or contingent withholding, capital gain, profit, transactional or business tax or other similar tax or duty (including stamp duty) and/or expenses (including any applicable depositary charges, transaction charges, issue, registration, transfer and/or other expenses) which the Calculation Agent determines have been or may be deducted and/or may arise or may have arisen in respect of the Cash Dividend and/or any payment of the Cash Dividend Amount in respect of the Securities.

## **7. GDR/ADR**

Share Security Conditions 8 to 12 (inclusive) apply where "GDR/ADR" is specified in respect of the shares specified to be GDRs/ADRs in the applicable Final Terms.

## **8. Definitions relating to GDR/ADR**

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

**"Conversion Event"** means any event which in the sole and absolute determination of the Calculation Agent results (or will result) in the GDRs and/or ADRs being converted into Underlying Shares or any other listed Securities of the issuer of the Underlying Shares;

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

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

## **9. General**

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

## **10. Share Event**

Upon the occurrence of a Share Event, the Issuer in its sole and absolute discretion may take the action described in paragraphs (a), (b), (c) (in the case of Warrants), (d) (in the case of Certificates), (e) or (f), as applicable, of Share Security Condition 4.2. The Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the occurrence of the Share Event, giving details thereof and the action proposed to be taken in relation thereto.

"**Share Event**" means each of the following events:

- (a) written instructions have been given by the Issuer or a Qualified Investor to the depositary of the Underlying Shares to withdraw or surrender the Underlying Shares;
- (b) the termination of the deposit agreement in respect of the Underlying Shares.

If an event constitutes both a Share Event and an Additional Disruption Event, the Calculation Agent shall have absolute discretion to determine which of these events such event constitutes.

## **11. Potential Adjustment Event**

The following additional event shall be deemed added to paragraph (b) of the definition of Potential Adjustment Event in Share Security Condition 3:

"and/or a distribution in respect of the Underlying Shares of property other than cash, shares or rights relating to any Underlying Shares to the holder of the Underlying Shares".

## **12. Extraordinary Events**

The following additional events shall be deemed added to the first paragraph of Share Security Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"Conversion Event, Share Event".

## **13. Stapled Shares**

Share Security Conditions 13 to 19 (inclusive) apply where "Stapled Shares" is specified as applicable in respect of shares specified to be Stapled Shares in the applicable Final Terms.

**14. General**

Except as provided in Share Security Condition 15 and Share Security Condition 16 below and save where specifically provided under the Final Terms, all references in the Security Conditions, and the Share Security Conditions to the "Shares" or a "Share" shall, in respect of the shares specified to be Stapled Shares, be deemed to be to the "Stapled Shares" or a "Stapled Share", as applicable, references to the "Share Company" or "Basket Company", as applicable, shall be deemed to be to each issuer of a Stapled Share Constituent.

**15. Potential Adjustment Events**

References to "Shares" in Share Security Condition 3 (Potential Adjustment Events) shall be deemed to be references to "Stapled Shares and each Stapled Share Constituent".

**16. Extraordinary Events**

References to "Shares" in the definitions of Insolvency, Merger Event, Nationalisation and Stapling and related provisions in Share Security Condition 4 (Extraordinary Events) shall be deemed to be references to "Stapled Share Constituent".

The following additional events shall be deemed added to the first paragraph of Share Security Condition 4.1 after the words "as not applicable in the applicable Final Terms)":

"De-Stapling".

**17. Dividend Payment**

References to "Share" (other than in "Share Company") in Share Security Condition 6 (Dividend Payment) shall be deemed to be references to "Stapled Share Constituent".

**18. De-Stapling**

Upon the occurrence of a De-Stapling, the Issuer may take the action described in paragraphs (a), (b), (c) or (d) of Share Security Condition 4.2 (in the case of Securities relating to either a single unit of Stapled Shares or a Basket of Shares comprising one or more Stapled Shares) or, the action described in paragraph (b) of Share Security Condition 4.2 or in, Share Security Condition 19 below (in respect of a Basket of Shares comprising one or more Stapled Shares). The Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the occurrence of the De-Stapling, giving details thereof and the action proposed to be taken in relation thereto.

"De-Stapling" means the Stapled Shares become detached, such that:

- (a) one or more Stapled Share Constituent may be held, owned, sold, transferred, purchased and otherwise dealt with as an individual share; and/or
- (b) where applicable, one or more Stapled Share Constituent is listed and admitted to trading separately.

**19. Substitution following the occurrence of a De-Stapling**

If the Issuer elects to substitute the Stapled Shares following the occurrence of a De-Stapling in accordance with Share Security Condition 18, on or after the relevant Extraordinary Event Effective Date, the Calculation Agent will adjust the Basket of Shares to substitute one or more shares selected by it in accordance with the criteria set out below (the "**Substitute Share**") for the Stapled Shares (the

"**Affected Stapled Shares**") affected by such De-Stapling and the Substitute Share will be deemed to be a "Share" and the relevant issuer of such shares a "**Basket Company**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent acting in its sole and absolute discretion determines appropriate, provided that, in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected Stapled Shares, the Initial Price of each Substitute Share will be determined by the Calculation Agent in accordance with the following formula:

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

where:

"**A**" is the official closing price of the Substitute Share on the relevant Exchange on the Substitution Date;

"**B**" is the Initial Price of the Affected Stapled Shares; and

"**C**" is the official closing price of the Affected Stapled Shares on the Scheduled Trading Day immediately preceding the Extraordinary Event Effective Date.

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

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

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

- (a) the relevant issuer of the share shall belong to the same economic sector as the issuers of the Affected Stapled Shares; and
- (b) the relevant issuer of the share shall have a comparable market capitalisation, international standing and exposure as the issuers of the Affected Stapled Shares.

## ANNEX 3

### ADDITIONAL TERMS AND CONDITIONS FOR ETI SECURITIES

The terms and conditions applicable to ETI Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**ETI Security 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 ETI Security Conditions, the ETI Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the ETI Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### **ETI Share Provisions not applicable**

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

#### **1. Definitions**

**"Additional Extraordinary ETI Event"** means any event specified as such in the applicable Final Terms;

**"Basket Trigger Event"** means that an Extraordinary ETI Event occurs in respect of one or more ETI Interests or the related ETI comprising the ETI Basket which has or, in the event that an Extraordinary ETI Event has occurred in respect of more than one ETI, together have, a Weighting in the ETI Basket equal to or greater than the Basket Trigger Level;

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

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

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

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

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

**"Dividend Event"** means that with reference to the later of (i) the two financial years prior to the Trade Date, and (ii) the two financial years prior to the relevant observation date, the ETI has implemented a material change to its practice with respect to the payment of dividends;

**"Early Closure"** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered

into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"ETI"** means (i) any exchange traded fund, (ii) the issuer of (A) an exchange traded note, (B) exchange traded commodity or (C) any other exchange traded product or (iii) any other exchange traded entity specified as an ETI in the applicable Final Terms;

**"ETI Basket"** means, where the ETI Securities are linked to the performance of ETI Interests of more than one ETI, a basket comprising such ETI Interests;

**"ETI Documents"** means, unless specified otherwise in the applicable Final Terms, with respect to any ETI Interest, the offering document of the relevant ETI in effect on the Hedging Date specifying, among other matters, the terms and conditions relating to such ETI Interests and, for the avoidance of doubt, any other documents or agreements in respect of the ETI, as may be further described in any ETI Document;

**"ETI Interest(s)"** means (i) in respect of an exchange traded fund, an ownership interest issued to or held by an investor in such ETI, (ii) in respect of an exchange traded note or an exchange traded commodity, a unit or note, as the case may be, issued by such ETI, or (iii) in respect of any other exchange traded product, any other interest specified as an ETI Interest in the applicable Final Terms;

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

**"ETI Related Party"** means, in respect of any ETI, any person who is appointed to provide services (howsoever described in any ETI Documents), directly or indirectly, in respect of such ETI, whether or not specified in the ETI Documents, including any advisor, manager, administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent, sponsor or general partner and any other person specified as such in the applicable Final Terms and in the case of an exchange traded note or exchange traded commodity, the calculation agent;

**"Exchange"** means in relation to an ETI Interest, each exchange or quotation system specified as such for the relevant ETI in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (b) in the case of an ETI Basket, (i) Exchange Business Day (All ETI Interests Basis) or (ii) Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

**"Exchange Business Day (All ETI Interests Basis)"** means, in respect of an ETI Basket, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of



such ETI Interest are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange (if any) are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the ETI Interest on the Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest on any relevant Related Exchange;

**"Extraordinary ETI Event Effective Date"** means, in respect of an Extraordinary ETI Event, the date on which such Extraordinary ETI Event occurs, or has occurred, as determined by the Calculation Agent in its sole and absolute discretion;

**"Final Calculation Date"** means the date specified as such in the applicable Final Terms;

**"Hedging Date"** has the meaning given to it in the applicable Final Terms;

**"Hedge Provider"** means the party (being, *inter alios*, the Issuer, the Guarantor (if applicable), the Calculation Agent, an affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of ETI Interests, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of ETI Interests as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities;

**"Hedging Shares"** means the number of ETI Interests that the Issuer and/or any of its Affiliates deems necessary to hedge the equity or other price risk of entering into and performing its obligations with respect to the Securities;

**"Hypothetical Investor"** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in an ETI Interest which is deemed to have the benefits and obligations, as provided in the relevant ETI Documents, of an investor holding an ETI Interest at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation);

**"Implied Embedded Option Value"** means, in respect of a day, an amount which may never be less than zero equal to the present value as at such day, of any future payments under the Securities determined by the Calculation Agent in its sole and absolute discretion taking into account, without limitation, such factors as interest rates, the net proceeds achievable from the sale of any ETI Interests by the Hedge Provider, the volatility of the ETI Interests and transaction costs;

**"Implied Embedded Option Value Determination Date"** means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary ETI Event;

**"Initial Calculation Date"** means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

**"Investment/AUM Level"** has the meaning given to it in the applicable Final Terms, or if not so specified, EUR 100,000,000 or the equivalent in any other currency;

**"Loss of Stock Borrow"** means that the Issuer and/or any Affiliate is unable, after using commercially reasonable efforts, to borrow (or maintain a borrowing of) any ETI Interest in an amount equal to the Hedging Shares at a rate equal to or less than the Maximum Stock Loan Rate;

**"Maximum Stock Loan Rate"** means in respect of an ETI Interest, the Maximum Stock Loan Rate specified in the applicable Final Terms;

**"Merger Event"** means, in respect of any relevant Interests and Entity, any (a) reclassification or change of such ETI Interests that results in a transfer of or an irrevocable commitment to transfer all of such ETI Interests outstanding to another entity or person, (b) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such ETI is the continuing entity and which does not result in a reclassification or change of all of such ETI Interests outstanding), (c) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding ETI Interests of an ETI that results in a transfer of or an irrevocable commitment to transfer all such ETI Interests (other than such ETI Interests owned or controlled by such other entity or person), or (d) consolidation, amalgamation, merger or binding share/unit/interest exchange of an ETI or its subsidiaries with or into another entity in which the ETI is the continuing entity and which does not result in a reclassification or change of all such ETI Interests outstanding but results in the outstanding ETI Interests (other than ETI Interests owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event, in each case if the relevant Extraordinary ETI Event Effective Date is on or before (a) in the case of Cash Settled Securities, the last occurring Valuation Date or (b) in the case of Physical Delivery Securities, the Settlement Date. For the purposes of this definition only, **"Interests"** shall mean the applicable ETI Interests or the shares of any applicable ETI Related Party, as the context may require, and **"Entity"** shall mean the applicable ETI or any applicable ETI Related Party, as the context may require;

**"Non-Principal Protected Termination Amount"** means an amount per Security determined by the sum of:

- (a) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and
- (b) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Number of Value Publication Days"** means the number of calendar days or Value Business Days specified in the applicable Final Terms, being the maximum number of days after the due date for publication or reporting of the Value per ETI Interest after which the ETI Related Party or any entity fulfilling such role, howsoever described in the ETI Documents, or any other party acting on behalf of the ETI, may remedy any failure to publish or report the Value per ETI Interest before the Calculation Agent may determine that an Extraordinary ETI Event has occurred;

**"Principal Protected Termination Amount"** means an amount per Security determined as the sum of:

- (a) the Protected Amount;
- (b) the Implied Embedded Option Value on the Implied Embedded Option Value Determination Date; and
- (c) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Protected Amount"** means (i) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as applicable in the applicable Final Terms, the amount specified as such in the applicable Final Terms or (ii) if Delayed Redemption on Occurrence of an Extraordinary ETI Event is not specified as being applicable in the applicable Final Terms, the present value of a hypothetical zero coupon bond reflecting the principal protection feature of the Securities as of the Implied Embedded Option Value Determination Date, all as determined by the Calculation Agent;

**"Related Exchange"** means in relation to an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETI Interest on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETI Interest;

**"Scheduled Trading Day"** means either (i) in the case of a single ETI and in relation to an ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (ii) in the case of an ETI Basket, Scheduled Trading Day (All ETI Interest Basis) or Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per ETI Interest Basis) shall apply;

**"Scheduled Trading Day (All ETI Interest Basis)"** means, in respect of an ETI Basket, any day on which each Exchange and each Related Exchange(s) are scheduled to be open for trading in respect of all ETI Interests comprised in the ETI Basket during their respective regular trading session(s);

**"Scheduled Trading Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any day on which the relevant Exchange and the relevant Related Exchange in respect of such ETI Interest are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single ETI Interest Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms and subject to the provisions of these ETI Security Conditions and as referred to in "Valuation Date" or "Averaging Date" in the General Conditions, as the case may be:

- (a) in the case of ETI Securities relating to an ETI Basket and in respect of each ETI Interest comprising the ETI Basket, an amount equal to (i) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such ETI Interest whose official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined based, 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 or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide), or (ii) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest for such ETI Interest on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date, in each case multiplied by the relevant Weighting, such value to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and
- (b) in the case of ETI Securities relating to a single ETI Interest, an amount equal to (i) if the applicable Final Terms specify that the Settlement Price is to be the official closing price, the official closing price (or the price at the Valuation Time on the Valuation Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (A) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (B) if Averaging is specified in the applicable Final Terms, an Averaging Date (or if, in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the Valuation Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the Valuation Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest based, 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 or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interest or on such other factors as the Calculation Agent shall decide), or (ii) if the applicable Final Terms specify that the Settlement Price is to be the Value per ETI Interest, the Value per ETI Interest on (A) if Averaging is not specified in the applicable Final Terms, the

Valuation Date or (B) if Averaging is specified on the applicable Final Terms, an Averaging Date, in each case, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

**"Simple Interest"** means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Termination Amount during the period from (and including) the Implied Embedded Option Value Determination Date to (and including) the Final Calculation Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions (the **"ISDA Definitions"**) published by the International Swaps and Derivatives Association, Inc. (as amended or supplemented as at the Issue Date of the Securities, provided that, the Calculation Agent may, acting in good faith and in a commercially reasonable manner, select any successor or replacement definitional booklet to the 2006 ISDA Definitions (as supplemented from time to time for interest rate derivatives), in which case ISDA Definitions will mean any such successor or replacement definitional booklet to the 2006 ISDA Definitions) under which:

- (a) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (b) the "Termination Date" is the Termination Date;
- (c) the "Floating Rate Payer Payment Date" is the Termination Date;
- (d) the "Floating Rate Option" is EUR-EURIBOR-Reuters (if the Settlement Currency is EUR) or USD-LIBOR-BBA (if the Settlement Currency is USD);
- (e) the "Designated Maturity" is 3 months;
- (f) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (g) the "Floating Rate Day Count Fraction" is Actual/360;
- (h) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (i) "Compounding" is "Inapplicable";

**"Specified Maximum Days of Disruption"** means eight (8) Scheduled Trading Days, or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares, units or interests of the ETI or an ETI Related Party, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

**"Termination Amount"** means the amount specified in the applicable Final Terms or if not so specified, (a) in the case of Certificates, (i) the Principal Protected Termination Amount or (ii) the Non-Principal Protected Termination Amount as specified in the applicable Final Terms or (b) in the case of Warrants, an amount equal to the Implied Imbedded Option Value;

**"Termination Date"** means (i) the date determined by the Issuer and specified in the notice given to Holders in accordance with ETI Security Condition 6.2(d) or (ii) in the case of Certificates, if Delayed Redemption on Occurrence of an Extraordinary ETI Event is specified as being applicable in the applicable Final Terms, the Redemption Date;

**"Trade Date"** has the meaning given to it in the applicable Final Terms;

**"Trading Disruption"** means in relation to an ETI Interest, any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (i) relating to the ETI Interest or any underlying asset of the ETI on the Exchange; or (ii) in futures or options contracts relating to the ETI Interest or any underlying asset of the ETI on any relevant Related Exchange;

**"Value Business Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Value Business Day Centre(s) specified in the applicable Final Terms;

**"Valuation Time"** means in the case of an ETI and in relation to an ETI Interest either (i) the close of trading on the Exchange or (ii) as otherwise specified in the applicable Final Terms;

**"Value per ETI Interest"** means, with respect to the relevant ETI Interest(s) and the Scheduled Trading Day relating to such ETI Interests, (i) if the relevant ETI Documents refer to an official net asset value per ETI Interest (howsoever described), such official net asset value per ETI Interest, otherwise (ii) the official closing price or value per ETI Interest, as of the relevant calculation date, as reported on such Scheduled Trading Day by the ETI or an ETI Related Party, the relevant Exchange or publishing service (which may include the website of an ETI), all as determined by the Calculation Agent;

**"Value per ETI Interest Trading Price Barrier"** means the percentage specified in the applicable Final Terms, or if not so specified, 5%;

**"Value per ETI Interest Trading Price Differential"** means the percentage by which the Value per ETI Interest differs from the actual trading price of the ETI Interest as of the time the Value per ETI Interest is calculated;

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

**"Value Trigger Percentage"** means the percentage specified in the applicable Final Terms or, if not so specified, 50 per cent.; and

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

## **2. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or an ETI Basket, in respect of an ETI Interest the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date or a Valuation Date or on any Knock-in Determination Day or Knock-out Determination Day, as the case may be.

### 3. **Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

- (a) an extraordinary dividend as determined by the Calculation Agent;
- (b) a repurchase or exercise of any call option by any ETI of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise; or
- (c) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETI Interests.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant ETI or ETI Related Party, as the case may be, as determined by the Calculation Agent in its sole and absolute discretion.

Except as may be limited in the case of U.S. Securities, following the declaration by the relevant ETI or ETI Related Party, as the case may be, of the terms of any Potential Adjustment Event, the Calculation Agent will, in its sole and absolute discretion, determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interests and, if so, will (i) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (ii) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interest traded on that options exchange.

Upon the making of any such adjustment, the Calculation Agent shall give notice as soon as reasonably practicable to the Holders in accordance with General Condition 10, stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

### 4. **Extraordinary ETI Events**

Subject to the provisions of ETI Security Condition 5 (Determination of Extraordinary ETI Events), **"Extraordinary ETI Event"** means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

**Global Events:**

- 4.1 the ETI or any ETI Related Party (i) ceases trading and/or, in the case of an ETI Related Party, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable), (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv) (1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or
- 4.2 the occurrence of a Merger Event or Tender Offer;

**Litigation/Fraudulent Activity Events:**

- 4.3 there exists any litigation against the ETI or an ETI Related Party which in the sole and absolute discretion of the Calculation Agent could materially affect the value of the ETI Interests or on the rights or remedies of any investor therein; or
- 4.4 (i) an allegation of criminal or fraudulent activity is made in respect of the ETI, or any ETI Related Party, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the ETI, any ETI Related Party or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the sole and absolute discretion of the Calculation Agent, materially affect the value of the ETI Interests or the rights or remedies of any investor in such ETI Interests;

**Change in ETI Related Parties/Key Persons Events:**

- 4.5 (i) an ETI Related Party ceases to act in such capacity in relation to the ETI (including by way of Merger Event or Tender Offer) and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent; and/or (ii) any event occurs which causes, or will



with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the ETI and/or any ETI Related Party to meet or maintain any obligation or undertaking under the ETI Documents which failure is reasonably likely to have an adverse impact on the value of the ETI Interests or on the rights or remedies of any investor therein;

**Modification Events:**

- 4.6 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the ETI (howsoever described, including the underlying type of assets in which the ETI invests), from those set out in the ETI Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 4.7 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the ETI invests, (ii) the ETI purports to track, or (iii) the ETI accepts/provides for purposes of creation/redemption baskets;
- 4.8 a material modification, or any announcement regarding a potential future material modification, of the ETI (including but not limited to a material modification of the ETI Documents or to the ETI's liquidity terms) other than a modification or event which does not affect the ETI Interests or the or any portfolio of assets to which the ETI Interest relates (either alone or in common with other ETI Interests issued by the ETI);
- 4.9 the currency denomination of the ETI Interest is amended from that set out in the ETI Documents so that the Value per ETI Interest is no longer calculated in the same currency as it was as at the Trade Date; or
- 4.10 if applicable, the ETI ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction;

**Net Asset Value/Investment/AUM Level Events:**

- 4.11 a material modification of the method of calculating the Value per ETI Interest;
- 4.12 any change in the periodicity of the calculation or the publication of the Value per ETI Interest;
- 4.13 any of the ETI, any ETI Related Parties or any other party acting on behalf of the ETI fails for any reason to calculate and publish the Value per ETI Interest within the Number of Value Publication Days following any date scheduled for the determination of the valuation of the ETI Interests unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 4.14 the assets under management of, or total investment in, the ETI falls below the Investment/AUM Level;
- 4.15 a Value per ETI Interest Trigger Event occurs;
- 4.16 failure by the ETI or any ETI Related Party to publish (i) the Value per ETI Interest at the end of each Scheduled Trading Day as a result of any action or inaction by the ETI or any ETI Related Party, or (ii) where the relevant ETI Documents provide for the publication of an indicative Value per ETI Interest, such indicative Value per ETI Interest is published no less

frequently than once every five (5) minutes during regular trading hours on the Exchange on each Scheduled Trading Day; or

- 4.17 (i) the Value per ETI Interest Trading Price Differential breaches the Value per ETI Interest Trading Price Barrier, and (ii) such breach has an adverse impact on any hedging activities in relation to the Securities;

**Tax/Law/Accounting/Regulatory Events:**

- 4.18 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or
- 4.19 (i) any relevant activities of or in relation to the ETI or the ETI Related Parties are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the ETI by any governmental, legal or regulatory entity with authority over the ETI), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the ETI or the ETI Related Parties or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the ETI is required by a competent authority to redeem any ETI Interests, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any ETI Interests held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the ETI or any ETI Related Party that is reasonably likely to have an adverse impact on the value of the ETI Interests or other activities or undertakings of the ETI or on the rights or remedies of any investor therein, including any Hedge Provider;

**Hedging/Impracticality/Increased Costs Events:**

- 4.20 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of ETI Interests or that would subject a holder of the ETI Interests or the Hedge Provider to any loss), purchase or sell the relevant ETI Interests or any underlying assets of or related to the ETI or for the Hedge Provider to maintain its hedging

arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;

- 4.21 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 4.22 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset or any futures or option contracts on the relevant Exchange it deems necessary to hedge the equity, commodity or other underlying ETI Interest asset price risk or any other relevant price risk, including but not limited to the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction, asset, or futures or option contract or any relevant hedge positions relating to an ETI Interest of the ETI;
- 4.23 at any time on or after the Trade Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;
- 4.24 If at any time on or after the Trade Date of the first issue of the series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in an ETI that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of an ETI, the Hedge Provider holds an ownership interest in such ETI that exceeds 10 per cent. of the total assets under management;

#### **Miscellaneous Events:**

- 4.25 in the case of Securities linked to an ETI Basket, a Basket Trigger Event occurs;
- 4.26 the long-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party or any parent company (howsoever described) of the ETI, by Moody's Investors Service Inc., or any successor to the ratings business thereof ("**Moody's**"), and/or Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor to the ratings business thereof ("**S&P**"), is downgraded below A (S&P) or A2 (Moody's) and/or the short-term unsecured, unsubordinated and unguaranteed debt rating assigned to any ETI Related Party by Moody's or S&P is downgraded below A-1 (S&P) or P-1 (Moody's);
- 4.27 the occurrence of a Loss of Stock Borrow;
- 4.28 the occurrence of an Additional Extraordinary ETI Event;
- 4.29 if the relevant ETI Documents provide for the payment of dividends, the occurrence of a Dividend Event;

- 4.30 the relevant Exchange announces that pursuant to the rules of such Exchange, the relevant ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason and are not immediately re-listed, re-traded or re-quoted on (i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or otherwise (ii) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union in a member state of the European Union).

## **5. Determination of Extraordinary ETI Events**

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

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

## **6. Consequences of an Extraordinary ETI Event**

- 6.1 If the Calculation Agent determines that an Extraordinary ETI Event has occurred, the Calculation Agent may, on or prior to the date on which such Extraordinary ETI Event is no longer continuing give notice (an "**Extraordinary ETI Event Notice**") to the Holders in accordance with General Condition 10 (which notice shall be irrevocable), of the occurrence of such Extraordinary ETI Event (the date on which an Extraordinary ETI Event Notice is given, an "**Extraordinary ETI Event Notification Date**") and set out, if determined at that time, the action that it has determined to take in respect of the Extraordinary ETI Event pursuant to ETI Security Condition 6.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary ETI Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Holders in accordance with General Condition 10 as soon as reasonably practicable after the Extraordinary ETI Event Notification Date.

For such purposes, an Extraordinary ETI Event shall be considered to be "continuing" if it has not been remedied to the reasonable satisfaction of the Issuer.

The Calculation Agent shall provide Holders with an Extraordinary ETI Event Notice as soon as reasonably practicable following the determination of an Extraordinary ETI Event. However, neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder or any other person in connection with the Securities as a result of any delay, howsoever arising. If the Calculation Agent gives an Extraordinary ETI Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action that it has determined to take pursuant to ETI Security Condition 6.2 below.

- 6.2 Following the occurrence of an Extraordinary ETI Event, the Issuer, in its sole and absolute discretion, may take the action described below in (a), (b), (c) or (d).

(a) No Action

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**No Action**", then the Securities shall continue and there shall be no amendment to the Terms and Conditions and/or the applicable Final Terms.

(b) Adjustment

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

- (i) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary ETI Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities and a change in the Weighting of any remaining ETI Interest(s) not affected by an Extraordinary ETI Event. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary ETI Event made by any options exchange to options on the ETI Interests traded on that options exchange; or
- (ii) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms, which adjustment will be effective as of the date determined by the Calculation Agent to be the effective date of the corresponding adjustment made by the Options Exchange. If options on the ETI Interests are not traded on the Options Exchange, the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, with reference to the rules and precedents (if any) set by the Options Exchange to account for the relevant Extraordinary ETI Event, that in the determination of the Calculation Agent would have given rise to an adjustment by the Options Exchange if such options were so traded.

(c) Substitution

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Substitution**", the Calculation Agent shall on or after the relevant Extraordinary ETI Event Effective Date, substitute each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary ETI Event with an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a

"**Substitute ETI Interest**") and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula:

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

where:

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

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

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

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary ETI Event Effective Date.

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

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent in its sole and absolute discretion:

- (i) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer (a) in the case of ETI Securities related to a single ETI, and (b) in the case of ETI Securities related to an ETI Basket, the relevant share/unit/interest shall be an ordinary share/unit/interest of the entity or person that in the case of a Merger Event is the continuing entity in respect of the Merger Event or in the case of a Tender Offer is the entity making the Tender Offer provided that (i) the relevant share/unit/interest is not already included in the ETI Basket and (ii) it is or as of the relevant Extraordinary ETI Event Effective Date is promptly scheduled to be, (x) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the relevant Exchange (or, where the relevant Exchange is within the European Union in any member state of the European Union) and (y) not subject to any currency exchange controls, trading restrictions or other trading limitations; or
- (ii) (a) where the relevant Extraordinary ETI Event is a Merger Event or a Tender Offer and a share/unit/interest would otherwise satisfy the criteria set out in sub-paragraph (i) above, but such share/unit/interest is (in the case of an ETI Security related to an ETI Basket), already included in the ETI Basket, or (b) where the Extraordinary ETI Event is not a Merger Event or a Tender Offer, an alternative exchange traded instrument which, in the determination of the Calculation Agent, has similar characteristics to the relevant ETI, including but not limited to,

a comparable listing (which, for the avoidance of doubt, shall not be restricted to a listing on the exchange or quotation system in the same geographic region), investment objectives, investment restrictions and investment processes, underlying asset pools and whose related parties (such as, but not limited to, trustee, general partner, sponsor, advisor, manager, operating company, custodian, prime broker and depository) are acceptable to the Calculation Agent;

(d) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary ETI Event is to be "**Termination**", on giving notice to Holders in accordance with General Condition 10 (which such notice may be included in the Extraordinary ETI Event Notice in respect of the relevant Extraordinary ETI Event and will specify the Termination Date), (i) in the case of Warrants, all but not some only of the outstanding ETI Securities shall be cancelled by payment of the Termination Amount on the Termination Date or (ii) in the case of Certificates, all but not some only of the outstanding Securities shall be redeemed by payment of the Termination Amount on the Termination Date, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10.

(e) General

In determining to take a particular action as a result of an Extraordinary ETI Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary ETI Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of loss of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

**7. Correction of ETI Interest Price**

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

**8. Calculations and Determinations**

The Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Security Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate acting in good faith and in a commercially reasonable manner having regard in each case to the criteria stipulated in the ETI Security Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

**ETI Share Provisions applicable**

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

## 9. Definitions relating to ETI Shares

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

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

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

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

**"Early Closure"** means the closure on any Exchange Business Day of the relevant Exchange(s) or any Related Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s), as the case may be, at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Exchange or Related Exchange system for execution at the Valuation Time on such Exchange Business Day;

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

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

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

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

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

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

**"Exchange"** means, in respect of an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in the ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such ETI Interest on such temporary substitute exchange or quotation system as on the original Exchange);

**"Exchange Business Day"** means either (a) in the case of a single ETI Interest, Exchange Business Day (Single ETI Interest Basis) or (b) in the case of a Basket of ETI Interests, (i) Exchange Business Day (All



ETI Interests Basis) or (ii) Exchange Business Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Exchange Business Day (Per ETI Interest Basis) shall apply;

**"Exchange Business Day (All ETI Interests Basis)"** means, in respect of a Basket of ETI Interests, any Scheduled Trading Day on which each Exchange and each Related Exchange, if any, are open for trading in respect of all ETI Interests comprised in the Basket of ETI Interests during their respective regular trading session(s) notwithstanding any such Exchange or Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, in respect of such ETI Interest are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Business Day (Single ETI Interest Basis)"** means any Scheduled Trading Day on which the relevant Exchange and the relevant Related Exchange, if any, are open for trading during their respective regular trading session(s), notwithstanding any such relevant Exchange or relevant Related Exchange closing prior to their Scheduled Closing Time;

**"Exchange Disruption"** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (a) to effect transactions in, or obtain market values for, the ETI Interest(s) on the Exchange or (b) to effect transactions in, or obtain market values for, futures or options contracts on or relating to the ETI Interest(s) on any relevant Related Exchange;

**"Related Exchange"** means, in relation to an ETI Interest, each exchange or quotation system specified as such for such ETI Interest in the applicable Final Terms, any successor to such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to such ETI Interest has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such ETI Interest on such temporary substitute exchange or quotation system as on the original Related Exchange), provided that where "All Exchanges" is specified as the Related Exchange in the applicable Final Terms, **"Related Exchange"** shall mean each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such ETI Interest;

**"Scheduled Trading Day"** means either (a) in the case of a single ETI Interest, Scheduled Trading Day (Single ETI Interest Basis) or (b) in the case of a Basket of ETI Interests, (i) Scheduled Trading Day (All ETI Interests Basis) or (ii) Scheduled Trading Day (Per ETI Interest Basis), in each case as specified in the applicable Final Terms, provided that, if no such specification is made in the applicable Final Terms, Scheduled Trading Day (Per ETI Interest Basis) shall apply;

**"Scheduled Trading Day (All ETI Interests Basis)"** means, in respect of a Basket of ETI Interests, any day on which each Exchange and each Related Exchange are scheduled to be open for trading in respect of all ETI Interests comprised in the Basket of ETI Interests during their respective regular trading session(s);

**"Scheduled Trading Day (Per ETI Interest Basis)"** means, in respect of an ETI Interest, any day on which the relevant Exchange and the relevant Related Exchange in respect of such ETI Interest are scheduled to be open for trading during their respective regular trading session(s);

**"Scheduled Trading Day (Single ETI Interest Basis)"** means any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading during their respective regular trading session(s);

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms and subject to the provisions of this Annex 3 and as referred to in "Strike Date", "Observation Date", "Valuation Date" or "Averaging Date", as the case may be:

- (a) in the case of ETI Securities relating to a Basket of ETI Interests and in respect of each ETI Interest comprising the Basket of ETI Interests, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for such ETI Interest whose official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be determined 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 or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interests (or on such other factors as the Calculation Agent shall decide), multiplied by the relevant Weighting, such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate, all as determined by or on behalf of the Calculation Agent; and
- (b) in the case of ETI Securities relating to a single ETI Interest, an amount equal to the official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or an Averaging Date, as the case may be, if so specified in the applicable Final Terms) quoted on the relevant Exchange for such ETI Interest on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if in the opinion of the Calculation Agent, any such official closing price (or the price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) cannot be so determined and the relevant Settlement Price Date or Averaging Date, as the case may be, is not a Disrupted Day, an amount determined by the Calculation Agent to be equal to the arithmetic mean of the closing fair market buying price (or the fair market buying price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so

specified in the applicable Final Terms) and the closing fair market selling price (or the fair market selling price at the Valuation Time on the relevant Settlement Price Date or such Averaging Date, as the case may be, if so specified in the applicable Final Terms) for the ETI Interest 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 or applicable brokers (as selected by the Calculation Agent) engaged in the trading of such ETI Interests (or on such other factors as the Calculation Agent shall decide), such amount to be converted, if so specified in the applicable Final Terms, into the Settlement Currency at the Exchange Rate and such converted amount to be the Settlement Price, all as determined by or on behalf of the Calculation Agent;

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

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or any Related Exchange or otherwise (a) relating to the ETI Interest on the Exchange; or (b) in futures or options contracts relating to the ETI Interest on any relevant Related Exchange.

#### **10. Market Disruption**

**"Market Disruption Event"** means, in relation to Securities relating to a single ETI Interest or a Basket of ETI Interests, in respect of an ETI Interest, the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date as the case may be.

#### **11. Potential Adjustment Events**

**"Potential Adjustment Event"** means any of the following:

- (a) a subdivision, consolidation or reclassification of relevant ETI Interests (unless resulting in a Merger Event) or a free distribution or dividend of any such ETI Interests to existing holders by way of bonus, capitalisation or similar issue;
- (b) a distribution, issue or dividend to existing holders of the relevant ETI Interests of (i) such ETI Interests or (ii) other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the ETI equally or proportionately with such payments to holders of such ETI Interests or (iii) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the ETI, as a result of a spin-off or other similar transaction or (iv) any other type of securities, rights or warrants or other assets, in any case for payment (in cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (c) an extraordinary dividend as determined by the Calculation Agent;
- (d) a call by an ETI in respect of relevant ETI Interests that are not fully paid;

- (e) a repurchase by the ETI or its subsidiaries of relevant ETI Interests whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (f) in respect of an ETI, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of such ETI, pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, certificates, warrants, debt instruments or stock rights at a price below their market value as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (g) any other event that may have, in the opinion of the Calculation Agent, a diluting or concentrative effect on the theoretical value of the relevant ETI Interests.

**"Potential Adjustment Event Effective Date"** means, in respect of a Potential Adjustment Event, the date on which such Potential Adjustment Event is announced by the relevant ETI, as determined by the Calculation Agent.

Except as may be limited in the case of U.S. Securities, following the declaration by ETI of the terms of any Potential Adjustment Event, the Calculation Agent will determine whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the ETI Interest and, if so, will (a) make the corresponding adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent determines appropriate to account for that diluting or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividends, stock loan rate or liquidity relative to the relevant ETI Interest) and (b) determine the effective date of that adjustment. The Calculation Agent may, but need not, determine the appropriate adjustment by reference to (i) the adjustment in respect of such Potential Adjustment Event made by an options exchange to options on the ETI Interests traded on that options exchange and (ii) any adjustment(s) made by the ETI Manager to the ETI Interest.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the adjustment to any Relevant Asset and/or the Entitlement (where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms and giving brief details of the Potential Adjustment Event and the Potential Adjustment Event Effective Date.

## **12. Extraordinary Events**

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

**"Delisting"** means, in respect of any relevant ETI Interest, the Exchange announces that pursuant to the rules of such Exchange, such ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on (a) where the Exchange is located in the United States, any of the New

York Stock Exchange, the American Stock Exchange or the NASDAQ National Market System (or their respective successors) or (b) a comparable exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union in a member state of the European Union).

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

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

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

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

**"ETI Regulatory Action"** means (i) any cancellation, suspension or revocation of the registration or approval of the ETI or the ETI Interests by any governmental, legal or regulatory entity with authority over the ETI or the ETI Interests, (ii) any change in the legal, tax, accounting or regulatory treatments of the ETI, any ETI Manager or the ETI Interests that the Calculation Agent determines has or is reasonably likely to have an adverse impact on the investors in the ETI or the holders of the ETI Interests or on the value of the ETI Interests, or (iii) the ETI or its ETI Manager becoming subject to any investigation, proceeding or litigation by any relevant governmental, legal or regulatory authority involving any activities relating to or resulting from the operation of the ETI, (including, without limitation, any future, announced or implemented material change to any one or more exemptive orders, no action letters or interpretative guidance of the U.S. Securities and Exchange Commission (the "**SEC**"), including guidance issued by the SEC's staff, relating to the ETI or to exchange traded funds generally that affects holders of the ETI Interests, whether occurring through action of the SEC or otherwise, including as a result of a court order or executive order) that the Calculation Agent determines has or is reasonably likely to have a material adverse effect on the value, redeemability or liquidity of the ETI Interests, or the operation of the ETI in accordance with the terms of the ETI Documents or (iv) the issuance by the SEC of an order to suspend the redemption obligations of the ETI, to freeze assets of the ETI or to take any other action that the Calculation Agent determines is reasonably likely to have a material effect on the value, redeemability or liquidity of the ETI.

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

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

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

**"Extraordinary Event Effective Date"** means, in respect of an Extraordinary Event, the date on which such Extraordinary Event occurs, as determined by the Calculation;

**"Illiquidity"** means, in respect of ETI Securities relating to a Basket of ETI Interests, that, in the determination of the Calculation Agent, during any period of five consecutive Scheduled Trading Days, notwithstanding the occurrence of a Disrupted Day, notwithstanding the occurrence of a Disrupted Day, falling after the Issue Date (the **"Relevant Period"**), (a) the difference between the bid prices and the ask prices in respect of an ETI Interest during the Relevant Period is greater than 1 per cent. (based on an arithmetic mean average over the Relevant Period), and/or (b) the arithmetic mean average purchase price or the arithmetic mean average selling price, determined by the Calculation Agent from the order book of the relevant ETI Interest on the relevant Exchange during the Relevant Period, in relation to the purchase or sale of ETI Interests with a value equal to or greater than EUR 10,000.00, is greater than MID plus 1 per cent. (in relation to a purchase of ETI Interests) or lower than the MID minus 1 per cent. (in relation to a sale of ETI Interests). For these purposes, **"MID"** means an amount equal to (i) the sum of the bid price and the ask price, in each case for the relevant ETI Interest at the relevant time, (ii) divided by two.

**"Insolvency"** means that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting the ETI (a) all the ETI Interests of such ETI are required to be transferred to a trustee, liquidator or other similar official or (b) holders of the ETI Interests of such ETI become legally prohibited from transferring such ETI Interests.

**"Listing Change"** means, in respect of any relevant ETI Interests, that such ETI Interests cease (or will cease) to be listed, traded or publicly quoted on the listing compartment or the relevant market of the Exchange on which such ETI Interests were listed, traded or publicly quoted on the Issue Date of the relevant Securities, for any reason (other than a Merger Event or Tender Offer).

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

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

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

prior to such event collectively representing less than 50 per cent. of the outstanding ETI Interests immediately following such event,

in each case if the relevant Extraordinary Event Effective Date is on or before (i) in the case of Cash Settled Securities, the last occurring Valuation Date or where Averaging is specified in the applicable Final Terms, the final Averaging Date in respect of the relevant Security or (ii) in the case of Physical Delivery Securities, the relevant Settlement Date (in the case of Warrants) and the relevant Redemption Date (in the case of Certificates).

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

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares of the ETI, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

## 12.2 Consequences of an Extraordinary Event

If an Extraordinary Event occurs in relation to an ETI Interest, the Issuer in its sole and absolute discretion may take the actions described in (a), (b), (c) or (d) (in the case of Securities relating to either a single ETI Interest or a Basket of ETI Interests), or (b) or (e) (in the case of Securities relating to a Basket of ETI Interests) (except as may be limited in the case of U.S. Securities) as it deems appropriate:

- (a) require 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 (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for the relevant Extraordinary Event and determine the effective date of that adjustment. The relevant adjustments may include, without limitation, adjustments to account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the ETI Interests or to the Securities. The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of the relevant Extraordinary Event made by any options exchange to options on the ETI Interests traded on that options exchange. In addition, in relation to a Basket of ETI Interests, the Calculation Agent may adjust the Basket of ETI Interests in accordance with the provisions of paragraph (f) below;
- (b) in the case of ETI Securities relating to a Basket of ETI Interests, cancel (in the case of Warrants) or redeem (in the case of Certificates) in part by giving notice to Holders in accordance with General Condition 10. If the Securities are so cancelled or redeemed, as the case may be, in part the portion (the **"Settled Amount"**) of each Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, representing the affected ETI Interest(s) shall be cancelled or redeemed, as the case may be, and the Issuer will:
  - (i) pay to each holder in respect of each Security or Unit, as the case may be, held by him an amount equal to the fair market value of the Settled Amount taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion; and

- (ii) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms to account for such cancellation or redemption, as the case may be, in part.

For the avoidance of doubt the remaining part of each Security or Unit, as the case may be, after such redemption and adjustment shall remain outstanding with full force and effect. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10;

- (c) in the case of Warrants, on giving notice to Holders in accordance with General Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, by payment of an amount equal to the fair market value of a Warrant or Unit, as the case may be, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10;
- (d) in the case of Certificates;
  - (i) unless Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with General Condition 10 redeem all but not some only of the Securities at the amount equal to the fair market value of such Security taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of an Extraordinary Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of such Security, taking into account the relevant Extraordinary Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Extraordinary Event Amount**") as soon as practicable following the occurrence of the relevant Extraordinary Event (the "**Calculated Extraordinary Event Amount Determination Date**") and on the Redemption Date shall redeem each Security at an amount calculated by the Calculation Agent equal to (x) the Calculated Extraordinary Event Amount plus interest accrued from and including the Calculated Extraordinary Event Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Notional Amount;
- (e) following such adjustment to the settlement terms of options on the ETI Interests traded on such exchange(s) or quotation system(s) as the Issuer in its sole discretion shall select (the "**Options Exchange**"), require the Calculation Agent to make a corresponding adjustment to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are



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

- (f) on or after the relevant Extraordinary Event Effective Date, the Calculation Agent may adjust the Basket of ETI Interests to include an ETI Interest selected by it in accordance with the criteria for ETI Interest selection set out below (each, a "**Substitute ETI Interest**") for each ETI Interest (each, an "**Affected ETI Interest**") of each ETI (each, an "**Affected ETI**") which is affected by such Extraordinary Event and the Substitute ETI Interest will be deemed to be an "**ETI Interest**" and the relevant issuer of such Substitute ETI Interest, an "**ETI**" for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of any Relevant Asset and/or the Entitlement (in each case where the Securities are Physical Delivery Securities) and/or the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate, provided that (i) in the case of Certificates, in the event that any amount payable under the Certificates was to be determined by reference to the Initial Price of the Affected ETI Interest, the Initial Price of each Substitute ETI Interest will be determined by the Calculation Agent in accordance with the following formula, and (ii) in the case of Warrants, the Exercise Price will be determined by the Calculation Agent in accordance with the following formula:

Initial Price (in the case of Certificates)/Exercise Price (in the case of Warrants) = A x (B/C)

where:

"A" is the official closing price of the relevant Substitute ETI Interest on the relevant Exchange on the Substitution Date;

"B" is, in the case of Warrants, the Exercise Price, or, in the case of Certificates, the Initial Price of the relevant Affected ETI Interest; and

"C" is the official closing price of the relevant Affected ETI Interest on the relevant Exchange on the Substitution Date.

Such substitution and the relevant adjustment to the ETI Basket will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion and specified in the notice referred to below which may, but need not, be the relevant Extraordinary Event Effective Date.

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

In order to be selected as a Substitute ETI Interest, the relevant share/unit/interest must satisfy the following criteria, as determined by the Calculation Agent in its sole and absolute discretion:

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

Upon the occurrence of an Extraordinary Event, if the Calculation Agent determines that an adjustment in accordance with the above provisions is necessary it shall notify the Issuer thereof as soon as practicable, and the Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the occurrence of the Extraordinary Event, giving details thereof and the action proposed to be taken in relation thereto.

### **13. Correction of ETI Interest Price**

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

### **14. Calculations and Determinations**

To the extent permitted by any applicable law, the Calculation Agent and/or the Issuer, as applicable, will make the calculations and determinations as described in the ETI Security Conditions in such a manner as the Calculation Agent and/or the Issuer, as the case may be, determines to be appropriate

having regard in each case to the criteria stipulated in the ETI Security Conditions, the hedging arrangements in respect of the Securities and the nature of the relevant ETI and related ETI Interests.

## ANNEX 4

### ADDITIONAL TERMS AND CONDITIONS FOR DEBT SECURITIES

The terms and conditions applicable to Debt Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Debt Security 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 Debt Security Conditions, the Debt Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Debt Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Settlement Price

"**Settlement Price**" means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject as referred to in "Averaging Date" or "Valuation Date":

- (a) in the case of Debt Securities relating to a basket of Debt Instruments, an amount equal to the sum of the values calculated for each Debt Instrument as (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such prices to be expressed as a percentage of the nominal amount of such Debt Instrument (y) multiplied by the product of the nominal amount of such Debt Instrument and the relevant Weighting; and
- (b) in the case of Debt Securities relating to a single Debt Instrument, an amount equal to (x) the Reference Price for such Debt Instrument appearing on the Relevant Screen Page at the Valuation Time as determined by or on behalf of the Calculation Agent on (a) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (b) if Averaging is specified in the applicable Final Terms, an Averaging Date, or if such price is not available, the arithmetic mean of the Reference Prices for such Debt Instrument at the Valuation Time on such Averaging Date or the Valuation Date, as the case may be, as received by it from two or more market-makers (as selected by the Calculation Agent) in such Debt Instrument, such prices to be expressed as a percentage of the nominal amount of the Debt Instrument (y) multiplied by the nominal amount of such Debt Instrument.

#### 2. Exchange Business Day

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

#### 3. Market Disruption

"**Market Disruption Event**" shall mean, in respect of a Debt Instrument, the suspension of or limitation imposed on trading either on any exchange on which such Debt Instrument is traded or on any exchange on which options contracts or futures contracts with respect to such Debt Instrument are traded if, in the determination of the Calculation Agent, such suspension or limitation is material.

The Issuer shall give notice as soon as practicable to the Holders in accordance with General Condition 10 that a Market Disruption Event has occurred.

#### 4. **Correction of Debt Instrument Price**

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

#### 5. **Redemption or Cancellation of a Debt Instrument**

Notwithstanding General Condition 15, if on or prior to the last Averaging Date or the last Valuation Date, any Debt Instrument is redeemed (including any early redemption) or cancelled by the relevant Debt Instrument Issuer (a "**Debt Instrument Redemption Event**"), then, except as may be limited in the case of U.S. Securities:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Debt Instrument Redemption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10; or
- (b) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed equal to the fair market value of such Certificate taking into account the Debt Instrument Redemption Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Debt Instrument Redemption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Debt Instrument Redemption Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Index Adjustment Amount**") as soon as practicable following the occurrence of the Debt Instrument Redemption Event (the "**Calculated Index Adjustment Amount**")

**Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Index Adjustment Amount plus interest accrued from and including the Calculated Index Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms).

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 5 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## **6. Futures Price Valuation**

If "Futures Price Valuation" is specified as applicable in the applicable Final Terms the following provisions shall apply to these Debt Security Conditions:

**"Settlement Price"** means an amount equal to the Daily Settlement Price of the relevant Current Exchange-traded Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date.

For the purposes of determining whether a day is a Scheduled Trading Day where Futures Price Valuation applies, "Scheduled Trading Day" will be deemed to mean a day on which the Daily Settlement Price of the relevant Current Exchange-traded Contract is scheduled to be published by the relevant Futures or Options Exchange.

If Futures Price Valuation applies the Disrupted Day provisions in the General Conditions and/or these Debt Security Conditions will not apply in relation to any Current Exchange-traded Contract.

For these purposes:

**"Current Exchange-traded Contract"** means (a) if the Securities are not Rolling Futures Contract Securities, the Exchange-traded Contract and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Debt Security Condition 7 (Rolling Futures Contract Securities) below.

**"Daily Settlement Price"** means the daily settlement price (howsoever described under the rules of the relevant Futures or Options Exchange or its clearing house) of the relevant Exchange-traded Contract published by the relevant Futures or Options Exchange or its clearing house and as determined by the Calculation Agent.

**"Exchange-traded Contract"** means the futures or options contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the Synthetic Debt Instrument to which it relates, (b) the Futures or Options Exchange on which each such contract is traded and (c)(i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry month of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date.

**"Futures or Options Exchange"** means the relevant exchange specified in the description of the Exchange-traded Contract in the applicable Final Terms or any successor to such exchange.

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent acting in good faith and in a commercially reasonable manner within the period ("**Futures Rollover Period**") specified in the applicable Final Terms.

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

**"Synthetic Debt Instrument"** means the synthetic debt instrument to which an Exchange-traded Contract relates, as described in the applicable Final Terms.

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

If Futures Price Valuation applies, references in the General Conditions to a "Debt Instrument" or "Debt Instruments" are deemed to be references to a Current Exchange-traded Contract or "Current Exchange-traded Contracts", as applicable.

## **7. Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the Synthetic Debt Instrument that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select an Exchange-traded Contract and for each following day until the Futures Rollover Date such futures contract will be the Current Exchange-traded Contract. On each Futures Rollover Date the Calculation Agent will select another Exchange-traded Contract and such contract shall be the Current Exchange-traded Contract until the next occurring Futures Rollover Date. Notwithstanding the provisions of Debt Security Condition 8 (Adjustments to an Exchange-traded Contract) or Debt Security Condition 9 (Non-Commencement or Discontinuance of an Exchange-traded Contract) if on a Futures Rollover Date a Non-Commencement or Discontinuance of an Exchange-traded Contract occurs and it is impossible or materially impracticable for the Calculation Agent to select an Exchange-traded Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (b) in the case of Certificates:

- (i) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed equal to the fair market value of such Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (ii) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Commencement or Discontinuance of the Exchange-traded Contract less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of the Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms).

## 8. **Adjustments to an Exchange-traded Contract**

In the event that the terms of an Exchange-traded Contract are changed or modified by the Futures or Options Exchange, the Calculation Agent shall make the appropriate adjustment, if any, to any of the Conditions and/or the applicable Final Terms to account for such change or modification.

## 9. **Non-Commencement or Discontinuance of an Exchange-traded Contract**

Where there is a Non-Commencement or Discontinuance of an Exchange-traded Contract, the Issuer may take the action described in (a) below or require the Calculation Agent to take the action described in (b) below:

- (a) in the case of Warrants, cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10;
- (b) in the case of Certificates:



- (i) unless Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed equal to the fair market value of such Certificate taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent acting in good faith and in a commercially reasonable manner. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (ii) if Delayed Redemption on Non-Commencement or Discontinuance of an Exchange-traded Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Commencement or Discontinuance of an Exchange-traded Contract less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Protected Amount (specified in the applicable Final Terms); or
- (c) replace the relevant Exchange-traded Contract affected by the Non-Commencement or Discontinuance of an Exchange-traded Contract (the "**Affected Exchange-traded Contract**") with a substitute Exchange-traded Contract (the "**Substitute Exchange-traded Contract**") which, in the determination of the Calculation Agent in its sole and absolute discretion, has similar contract specifications to those of the Affected Exchange-traded Contract and (ii) make such adjustments to adjust such terms of the Securities as it determines in its sole and absolute discretion. Such replacement will be deemed to be effective as of the date selected by the Calculation Agent in its sole and absolute discretion, and specified in the notice referred to below. The Substitute Exchange-traded Contract will be deemed to be an "**Exchange-traded Contract**" for the purposes of the Securities.

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent or the Registrar, as the case may be, of any determination made by it pursuant to this Debt Security Condition 9 and the action proposed to be taken in relation thereto and such Security Agent or the Registrar, as the case may be, shall make available for inspection by Holders copies of any such determinations.

## 10. Dislocation Event

### (a) Definitions

"**Dislocation Event**" means that, on any Exchange Business Day after the Issue Date of the Securities, the Traded Price of a relevant Futures Contract is less than or equal to the Dislocation Level;

**"Dislocation Level"** means the level specified as such in the applicable Final Terms or, if not so specified, 0 (zero);

**"Relevant Futures Contract"** means the Exchange-traded Contract and any other futures or options contract that references the Synthetic Debt Instrument to which the Exchange-traded Contract relates and is traded on the Futures or Options Exchange, irrespective of the expiry date of such futures or options contract;

**"Traded Price"** means the published traded price in respect of a Relevant Futures Contract quoted at any time on the relevant Futures or Options Exchange, as determined by the Calculation Agent.

(b) Consequences of a Dislocation Event

If Dislocation Event is specified as applicable in the applicable Final Terms and, in the determination of the Calculation Agent, a Dislocation Event has occurred then:

- (i) in the case of Warrants, the Issuer may cancel all but not some only of the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled equal to the fair market value of such Warrant or Unit, as the case may be, taking into account the relevant Dislocation Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10.
- (ii) in the case of Certificates, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Security being redeemed at an amount equal to the fair market value of such Certificate taking into account the relevant Dislocation Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion, payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10.

**11. Correction of the Daily Settlement Price**

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

**12. Definitions**

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant securities or contracts.

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions.

**"Daily Settlement Price Correction Period"** means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

**"Debt Instrument Correction Period"** means the period specified as such in the applicable Final Terms or if none, one Settlement Cycle.

**"Debt Instrument Issuer"** means, in respect of a Debt Instrument, the issuer of such Debt Instrument.

**"Disrupted Day"** means any Scheduled Trading Day on which a Market Disruption Event has occurred.

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

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

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

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

## ANNEX 5

### ADDITIONAL TERMS AND CONDITIONS FOR COMMODITY SECURITIES

The terms and conditions applicable to Commodity Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Commodity Security 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 Security Conditions, the Commodity Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Commodity Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

**"Basket Component"** means any Commodity or Commodity Index comprised in a Basket of Commodities;

**"Basket of Commodities"** means a basket comprising two or more Commodities and/or Commodity Indices;

**"Commodity"** means, subject to adjustment in accordance with this Annex 5, the commodity (or commodities) or futures contract on a commodity (or commodities) specified in the applicable Final Terms, and related expressions shall be construed accordingly and for the avoidance of doubt, each of climatic variables, freight rates and emissions allowances may be a Commodity for the purposes of this Annex 5 and the applicable Final Terms;

**"Commodity Business Day"** means:

- (a) in respect of a Commodity or a Commodity Index:
  - (i) where the Commodity Reference Price for the relevant Commodity or Commodity Index is announced or published by an Exchange, any day that is (or, but for the occurrence of a Market Disruption Event, would have been) a day on which each relevant Exchange is open for trading during its regular trading sessions and notwithstanding any such Exchange closing prior to its scheduled closing time; or
  - (ii) a day in respect of which the relevant Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a price for the relevant Commodity or Commodity Index; or
- (b) in the case of a Basket of Commodities, a day on which the Commodity Reference Price in respect of all of the Basket Components is scheduled to be published or announced in accordance with paragraphs (a)(i) and (ii) above;

**"Commodity Disrupted Day"** means any day on which a Market Disruption Event has occurred;

**"Commodity Fallback Value"** means:

- (a) in respect of any Commodity, the arithmetic mean of the quotations provided to the Calculation Agent by each of the Reference Dealers as its Commodity Reference Price for the relevant Pricing Date of the relevant Commodity, provided that if only three such quotations are so provided, the Commodity Fallback Value shall be the Commodity Reference Price remaining after disregarding the Commodity Reference Prices having the highest and lowest values (or if more than one such highest or lowest, one only of them). If fewer than three such quotations

are so provided, it will be deemed that such value cannot be determined and the relevant value shall be the good faith estimate of the Calculation Agent; or

- (b) in respect of any Commodity Index or Basket of Commodities, the price for such Commodity Index or Basket of Commodities, as the case may be, in respect of the relevant Pricing Date determined by the Calculation Agent using the current applicable method of calculating such Commodity Index or the method for determining the value of the Basket of Commodities, as the case may be, as set out in the applicable Final Terms using the price or level for each Index Component or Basket Component, as the case may be, determined as follows:
  - (i) in respect of each Index Component or Basket Component, as the case may be, which is not affected by the Market Disruption Event, the closing price or level or settlement price, as applicable, of such Index Component or Basket Component, as the case may be, on such Pricing Date; and
  - (ii) in respect of each Index Component or Basket Component, as the case may be, which is affected by the Market Disruption Event (each an "**Affected Item**"), the closing price or level or settlement price, as applicable, for such Affected Item on the first succeeding Pricing Date that is not a Commodity Disrupted Day, unless each of the number of consecutive Pricing Dates equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date is a Commodity Disrupted Day. In that case, (i) the last such consecutive Pricing Date shall be deemed to be the Pricing Date for the Affected Item, notwithstanding the fact that such day is a Commodity Disrupted Day, and (ii) the Calculation Agent shall determine the price or level of such Affected Item in the manner set out in the applicable Final Terms or, if not set out or if not practicable, determine the price of the Affected Item based upon the price at which the Issuer is able to sell or otherwise realise any hedge positions in respect of the Securities during the period of five Commodity Business Days following the last such consecutive Pricing Date;

"**Commodity Index**" means each index specified as such in the applicable Final Terms or an index comprising one or more commodities, contracts for the future delivery of a commodity, indices linked to a single commodity or indices comprised of multiple commodities (each an "Index Component");

"**Commodity Reference Price**" means, in respect of any Commodity or any Commodity Index, the Commodity Reference Price specified in the applicable Final Terms;

"**Delivery Date**" means, in respect of a Commodity Reference Price, the relevant date or month for delivery of the underlying Commodity (which must be a date or month reported or capable of being determined from information reported in or by the relevant Price Source) as follows:

- (a) if the Securities are not Rolling Futures Contract Securities:
  - (i) if a date is, or a month and year are, specified in the applicable Final Terms, that date or that month and year;
  - (ii) if a Nearby Month is specified in the applicable Final Terms, the month of expiration of the relevant Futures Contract; and
  - (iii) if a method is specified in the applicable Final Terms for the purpose of determining the Delivery Date, the date or the month and year determined pursuant to that method;

if the Securities are Rolling Futures Contract Securities, the delivery date for a futures contract selected by the Calculation Agent acting in good faith and in a commercially reasonable manner on the Futures Rollover Date or if none the Issue Date.

**"Disappearance of Commodity Reference Price"** means (a) the permanent discontinuation of trading, in the relevant Futures Contract on the relevant Exchange or (b) the disappearance of, or of trading in, the relevant Commodity or Index Component or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of the related Price Source or the status of trading in the relevant Futures Contract, Commodity or Index Component;

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Relevant Price in respect of a specified Commodity Reference Price when a Market Disruption Event occurs or exists on a day that is a Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published or announced by the Price Source). A Disruption Fallback is applicable if it is specified in the applicable Final Terms or, if no Disruption Fallback is specified, the Calculation Agent shall determine the relevant actions in accordance with Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks).

**"Exchange"** means, in respect of a Commodity, the exchange or principal trading market for such Commodity specified in the applicable Final Terms or in the Commodity Reference Price and in the case of a Commodity Index, the exchange or principal trading market for each Index Component comprising such Commodity Index;

**"Final Pricing Date"** or **"Final Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Final Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Final Interest Pricing Date";

**"Futures Contract"** means, in respect of a Commodity Reference Price, the contract for future delivery of a contract size in respect of the relevant Delivery Date relating to the Commodity referred to in that Commodity Reference Price;

**"Futures Rollover Date"** means the date specified as such in the applicable Final Terms;

**"Index Component Disruption Event"** means:

- (a) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published on any date between the Issue Date and such Pricing Date that is not a price published by the usual exchange or price source, but is a price determined by the Price Source; or
- (b) the Commodity Reference Price published by the Price Source on any Pricing Date includes, or is derived from, a price for one or more Index Components published by the usual exchange or price source on any date between the Issue Date and such Pricing Date that, in the opinion of the Calculation Agent, has been calculated or published subject to the occurrence of market disruption or similar, or otherwise not in accordance with the usual, then-current, method used by such exchange or price source;

**"Initial Pricing Date"** or **"Initial Interest Pricing Date"** means the date specified as such in the applicable Final Terms. References in these Conditions to "Initial Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Initial Interest Pricing Date";

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

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

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

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

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

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

**"Pricing Date"** or **"Interest Pricing Date"** means each date specified in the Final Terms as being the Initial Pricing Date, an Averaging Date, an Observation Date, an Automatic Early Redemption Valuation Date or the Final Pricing Date or if any such date is not a Commodity Business Day, the immediately succeeding Commodity Business Day, unless, in the opinion of the Calculation Agent, such day is a day on which a Market Disruption Event has occurred or is continuing, in which case where the Securities relate to:

- (a) a single Commodity, the relevant Pricing Date or Interest Pricing Date, as applicable, shall be the first succeeding Commodity Business Day that is not a Commodity Disrupted Day, unless each of the number of consecutive Commodity Business Days equal to the Specified Maximum Days of Disruption immediately following the Scheduled Pricing Date or Scheduled Interest Pricing Date, as the case may be, is a Commodity Disrupted Day. In that case, (A) the last such consecutive Commodity Business Day shall be deemed to be the Pricing Date or Interest Pricing Date, as the case may be, notwithstanding the fact that such day is a Commodity Disrupted Day, and (B) the Calculation Agent shall determine the Relevant Price by applying the Commodity Fallback Value; or
- (b) a Commodity Index or Basket of Commodities, the Calculation Agent shall determine the Relevant Price for the Commodity Index or each Basket Component, as the case may be, using the Commodity Fallback Value.

References in these Conditions to "Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Interest Pricing Date";

**"Reference Dealers"** means four leading dealers in the relevant Commodities market selected by the Calculation Agent;

**"Relevant Price"** means, for any Pricing Date, the price, expressed as a price per unit of the Commodity, the price of the Commodity Index or any Index Component, determined with respect to that day for the specified Commodity Reference Price calculated as provided in these Commodity Security Conditions and the applicable Final Terms;

**"Scheduled Pricing Date"** or "Scheduled Interest Pricing Date" means any original date that, but for the occurrence of an event causing a Market Disruption Event, would have been a Pricing Date. References in these Conditions to "Scheduled Pricing Date" shall be deemed to apply mutatis mutandis in respect of any "Scheduled Interest Pricing Date";

**"Settlement Price"** means, in respect of Commodity Warrants only, the Relevant Price, or, in the case of a Basket of Commodities, the sum of the values calculated in respect of each Basket Component as the Relevant Price of such Basket Component multiplied by the relevant Weighting;

**"Specified Maximum Days of Disruption"** means five (5) Commodity Business Days or such other number of Specified Maximum Days of Disruption specified in the applicable Final Terms;

**"Specified Price"** means, in respect of a Commodity Reference Price for a Commodity Index, (A) the closing or (B) daily official level of such Commodity Index and in respect of any other Commodity Reference Price, any of the following prices (which must be a price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the applicable Final Terms (and, if applicable, as of the time so specified): (a) the high price; (b) the low price; (c) the average of the high price and the low price; (d) the closing price; (e) the opening price; (f) the bid price; (g) the asked price; (h) the average of the bid price and the asked price; (i) the settlement price; (j) the official settlement price; (k) the official price; (l) the morning fixing; (m) the afternoon fixing; (n) the spot price; or (o) any other price specified in the applicable Final Terms on the Pricing Date;

**"Tax Disruption"** means the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to, the relevant Commodity, or in the case of a Commodity Index or any Index Component (other than a tax on, or measured by reference to overall gross or net income) by any government or taxation authority after the Trade Date, if the direct effect of such imposition, change or removal is to raise or lower the Relevant Price on the day that would otherwise be a Pricing Date from what it would have been without that imposition, change or removal; and

**"Trading Disruption"** means the material suspension of, or the material limitation imposed on, trading in the relevant Futures Contract or the Commodity or, in the case of a Commodity Index, Index Component on the Exchange or in any additional futures contract, options contract, commodity index or commodity on any Exchange as specified in the applicable Final Terms. For these purposes:

- (a) a suspension of the trading in the Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if:
  - (i) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended for the entire Pricing Date; or
  - (ii) all trading in the Futures Contract, Commodity or Index Component, as the case may be, is suspended subsequent to the opening of trading on the Pricing Date, trading does not recommence prior to the regularly scheduled close of trading in such Futures



Contract, Commodity or Index Component, as the case may be, on such Pricing Date and such suspension is announced less than one hour preceding its commencement; and

- (b) a limitation of trading in the relevant Futures Contract, Commodity or Index Component, as the case may be, on any Commodity Business Day shall be deemed to be material only if the relevant Exchange establishes limits on the range within which the price of the relevant Futures Contract, Commodity or Index Component, as the case may be, may fluctuate and the closing or settlement price of the relevant Futures Contract, Commodity or Index Component, as the case may be, on such day is at the upper or lower limit of that range.

## 2. Market Disruption

**"Market Disruption Event"** means, in respect of a relevant Commodity or Commodity Index and as determined by the Calculation Agent, the occurrence or existence of:

- (a) in the case of all Commodities and each Commodity Index, a Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Limit Price Event; and in addition
- (b) in the case of each Commodity Index and all Commodities other than Gold, Silver, Platinum or Palladium, Material Change in Formula, Material Change in Content and/or Tax Disruption; and in addition
- (c) in the case of a Commodity Index, an Index Component Disruption Event.

The Calculation Agent shall give notice as soon as practicable to Holders, in accordance with General Condition 10, of the occurrence of a Market Disruption Event and the action proposed to be taken in relation thereto.

## 3. Consequences of a Market Disruption Event and Disruption Fallbacks

Upon a Market Disruption Event occurring or continuing on any Pricing Date (or, if different, the day on which prices for that Pricing Date would, in the ordinary course, be published by the Price Source), the Calculation Agent may, in its sole and absolute discretion, take the action described in paragraph (a), (b) or (c) below:

- (a) the Calculation Agent shall determine if such event has a material effect on the Securities and, if so shall calculate the relevant Interest Amount (in the case of Certificates) and/or Cash Settlement Amount and/or make any other relevant calculation using, in lieu of a published price or level for that Commodity or Commodity Index, as the case may be, the price or level for that Commodity or Commodity Index as determined by the Calculation Agent using the Commodity Fallback Value; or
- (b) the Calculation Agent may substitute the relevant Commodity or Index Component with a Commodity or Index Component selected by it in accordance with the criteria set out below (each, a **"Substitute Commodity"** or a **"Substitute Index Component"**) for each Commodity or Index Component (each, an **"Affected Commodity"** or **"Affected Index Component"**, as the case may be), which is affected by the Market Disruption Event and the Substitute Commodity or Substitute Index Component, as the case may be, will be deemed to be a **"Commodity"** or an **"Index Component"**, as the case may be, for the purposes of the Securities, and the Calculation Agent will make such adjustment, if any, to any one or more of the Exercise Price (in the case of Warrants) and/or the Weighting and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and

absolute discretion determines appropriate, provided that in the event that any amount payable under the Securities was to be determined by reference to the initial price of the Commodity or the Index Component, as the case may be, the initial price or level of each Substitute Commodity or Substitute Index Component, as the case may be, will be determined by the Calculation Agent in its sole and absolute discretion.

In order to be selected as a Substitute Commodity, the Substitute Commodity shall be valued on the basis of a futures contract on similar terms to, with a delivery date corresponding with and relating to the same Commodity as the Affected Commodity.

In order to be selected as a Substitute Index Component, the Substitute Index Component shall be an alternative futures contract or commodity index relating to a futures contract on similar terms to the Affected Index Component.

Such substitution and the relevant adjustment(s) will be deemed to be effective as of the date selected by the Calculation Agent (the "**Substitution Date**") in its sole and absolute discretion which may, but need not, be the relevant date of the Market Disruption Event. Such substitution will be notified to the Holders as soon as practicable after the Substitution Date in accordance with General Condition 10; or

- (c) the Issuer shall cancel (in the case of Warrants) or redeem (in the case of Certificates) all but not some only of the Securities, each Security being cancelled or redeemed by payment of an amount equal to the fair market value of such Security, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Holders in accordance with General Condition 10.

#### **4. Adjustments to a Commodity Index**

##### **(a) Successor Index Sponsor Calculates and Reports a Commodity Index**

If a relevant Commodity Index is (a) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor (the "**Successor Index Sponsor**") acceptable to the Calculation Agent, or (b) replaced by a successor commodity index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of that Commodity Index, then in each case that commodity index (the "**Successor Commodity Index**") will be deemed to be the Commodity Index.

##### **(b) Modification and Cessation of Calculation of a Commodity Index**

If (a) on or prior to the last Averaging Date, the last Observation Date, the Final Interest Pricing Date or the Final Pricing Date, the relevant Index Sponsor makes or announces that it will make a material change in the formula for or the method of calculating a relevant Commodity Index or in any other way materially modifies that Commodity Index (other than a modification prescribed in that formula or method to maintain the Commodity Index in the event of changes in constituent contracts or commodities and other routine events) (a "**Commodity Index Modification**"), or permanently cancels a relevant Commodity Index and no Successor Commodity Index exists (a "**Commodity Index Cancellation**"), or (b) on any Averaging Date, Observation Date, Interest Pricing Date or other Pricing Date, the Index Sponsor or (if applicable) the Successor Index Sponsor fails to calculate and announce a relevant Commodity Index (a "**Commodity Index Disruption**" and, together with a Commodity Index Modification and a Commodity Index Cancellation, each a "**Commodity Index Adjustment Event**"), then except as may be limited in the case of U.S. Securities:

- (i) the Calculation Agent shall determine if such Commodity Index Adjustment Event has a material effect on the Securities and, if so, shall calculate the Relevant Price using, in lieu of a published level for that Commodity Index, the Commodity Fallback Value; or
- (ii) the Issuer may cancel (in the case of Warrants) or redeem (in the case of Certificates) the Securities by giving notice to Holders in accordance with General Condition 10. If the Securities are so cancelled or redeemed, the Issuer will pay an amount to each Holder in respect of each Security being cancelled or redeemed at an amount equal to the fair market value of a Security, taking into account the Commodity Index Adjustment Event, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10.

## **5. Correction of Commodity Reference Price**

With the exception of any corrections published after the day which is three Commodity Business Days prior to the due date for any payment under the Securities, if the Commodity Reference Price published on a given day and used or to be used by the Calculation Agent to make any determination under the Securities is subsequently corrected and the correction published by the relevant Exchange or any other person responsible for the publication or announcement of the Commodity Reference Price within 30 calendar days of the original publication, the price to be used shall be the price of the relevant Commodity as so corrected. Corrections published after the day which is three Commodity Business Days prior to a due date for payment under the Securities will be disregarded by the Calculation Agent for the purposes of determining the relevant amount.

## **6. Rolling Futures Contract Securities**

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Commodity Reference Price in respect of the Securities will be valued by reference to rolling futures contracts each of which have delivery months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select the relevant Futures Contract and for each following day until the Futures Rollover Date such futures contract will be the Futures Contract for the purposes of the Commodity Reference Price. On each Futures Rollover Date, the Calculation Agent will select another Futures Contract and such contract shall be the Futures Contract for the purposes of the Commodity Reference Price until the next occurring Futures Rollover Date. If on a Futures Rollover Date a Market Disruption Event or a Commodity Index Adjustment Event occurs and it is impossible or materially impracticable for the Calculation Agent to select a Futures Contract and/or at such time hedge the Issuer's obligations in respect of the Securities then the provisions of Commodity Security Condition 3 (Consequences of a Market Disruption Event and Disruption Fallbacks) and Commodity Security Condition 4 (Adjustments to a Commodity Index), as applicable, shall apply to the Securities.

## ANNEX 6

### ADDITIONAL TERMS AND CONDITIONS FOR INFLATION INDEX SECURITIES

The terms and conditions applicable to Inflation Index Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Inflation Index Security 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 Index Security Conditions, the Inflation Index Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Inflation Index Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Cut-Off Date**" means, in respect of a Valuation Date, five Business Days prior to such Valuation Date;

"**Delayed Index Level Event**" means, in respect of any Valuation Date, that the Index Sponsor fails to publish or announce the Relevant Level;

"**Fallback Bond**" means a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the Inflation Index relates and which pays a Cash Settlement Amount which is calculated by reference to the Inflation Index, with a maturity date which falls on (a) the same day as the Settlement Date (in the case of Warrants) or the Redemption Date (in the case of Certificates), (b) the next longest maturity after the Settlement Date or the Redemption Date, as the case may be, if there is no such bond maturing on the Settlement Date or the Redemption Date, as the case may be, or (c) the next shortest maturity before the Settlement Date or the Redemption Date, as the case may be, if no bond defined in (a) or (b) is selected by the Calculation Agent. If the Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or Cash Settlement Amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems the Calculation Agent will select a new Fallback Bond on the same basis, but selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged);

"**Index Cancellation**" means a level for the Inflation Index has not been published or announced for two consecutive months and/or the Index Sponsor cancels the Inflation Index and/or the Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index and no Successor Index exists;

"**Index Modification**" means, in relation to an Inflation Index, the Index Sponsor announces that it will make (in the opinion of the Calculation Agent) a material change in the formula for or the method of calculating the Inflation Index or in any other way materially modifies the Inflation Index;

"**Index Sponsor**" means the entity that publishes or announces (directly or through an agent) the level of the Inflation Index which as of the Issue Date of the Securities is the index sponsor set out in the applicable Final Terms;

"**Inflation Index**" or "**Inflation Indices**" means the index or indices specified in the relevant Final Terms and related expressions shall be construed accordingly;

**"Rebased Index"** has the meaning given to it under Inflation Index Security Condition 4 (Adjustments) below;

**"Reference Month"** means the calendar month for which the level of the Inflation Index was reported, regardless of when this information is published or announced. If the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Reference Level was reported;

**"Related Bond"** means the bond specified as such in the relevant Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not applicable" is specified in the applicable Final Terms there will be no Related Bond. If a bond is selected as the Related Bond in the applicable Final Terms and that bond redeems or matures before the relevant Settlement Date or Redemption Date, as the case may be, unless "Fallback Bond: Not applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination;

**"Related Bond Redemption Event"** means, if specified as applicable in the relevant Final Terms, at any time prior to the Settlement Date (in the case of Warrants) or Redemption Date (in the case of Certificates), (a) the Related Bond is settled, repurchased or cancelled, (b) the Related Bond becomes repayable prior to its stated date of maturity for whatever reason, or (c) the issuer of the Related Bond announces that the Related Bond will be redeemed, repurchased or cancelled prior to its stated date of maturity;

**"Relevant Level"** means, in respect of any Valuation Date, the level of the Inflation Index, in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Settlement Date or Redemption Date, as the case may be, at any time on or prior to the Cut-Off Date;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, the Relevant Level;

**"Successor Inflation Index"** has the meaning given to it in Inflation Index Security Condition 3 (Successor Inflation Index) below;

**"Substitute Inflation Index Level"** means, in respect of a Delayed Index Level Event, the Index Level determined by the Issuer in accordance with Inflation Index Security Condition 2 (Delay in Publication) below; and

**"Valuation Date"** means the date (in the case of Warrants), or the Interest Valuation Date and/or the Redemption Valuation Date (in the case of Certificates) specified in the applicable Final Terms.

## **2. Delay in Publication**

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Valuation Date, then the Relevant Level with respect to any Reference Month which is to be utilised in any calculation or determination to be made by the Calculation Agent and/or the Issuer with respect to such Valuation Date (the **"Substitute Inflation Index Level"**) shall be determined by the Calculation Agent (subject to Inflation Index Security Condition 4.2 (Substitute Inflation Index Level) below, as follows:

- (a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the corresponding index level determined under the terms and conditions of the Related Bond; or
- (b) if (i) Related Bond is specified as not applicable in the relevant Final Terms, or (ii) the Calculation Agent is not able to determine a Substitute Inflation Index Level under paragraph (a) above, the Calculation Agent shall determine the Substitute Inflation Index Level by reference to the following formula:
  - (i)  $\text{Substitute Inflation Index Level} = \text{Base Level} \times (\text{Latest Level}/\text{Reference Level})$ ; or
  - (ii) otherwise in accordance with any formula specified in the relevant Final Terms,

where:

**"Base Level"** means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Inflation Index Level is being determined;

**"Latest Level"** means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor prior to the month in respect of which the Substitute Inflation Index Level is being determined; and

**"Reference Level"** means the level of the Inflation Index (excluding any "flash" estimates) published or announced by the Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuer shall promptly give notice to the Holders in accordance with General Condition 10 of any Substitute Inflation Index Level.

If the Relevant Level is published or announced at any time on or after the relevant Cut-Off Date specified in the applicable Final Terms, such Relevant Level will not be used in any calculations. The Substitute Inflation Index Level so determined pursuant to this Inflation Index Security Condition 2 will be the definitive level for that Reference Month.

### 3. **Successor Inflation Index**

If the Calculation Agent determines that the level of an Inflation Index is not calculated and announced by the Index Sponsor for two consecutive months and/or the Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index and/or the Index Sponsor cancels the Inflation Index, then the Calculation Agent shall determine a successor index (a **"Successor Inflation Index"**) (in lieu of any previously applicable Index) for the purposes of the Securities as follows:

- (a) if Related Bond is specified as applicable in the relevant Final Terms, the Calculation Agent shall determine a "Successor Inflation Index" by reference to the corresponding successor index determined under the terms and conditions of the Related Bond;
- (b) if (i) Related Bond is specified as not applicable in the applicable Final Terms or (ii) a Related Bond Redemption Event has occurred and Fallback Bond is specified as not applicable in the applicable Final Terms, the Index Sponsor announces that it will no longer publish or announce the Inflation Index but that it will be superseded by a replacement Inflation Index specified by the Index Sponsor, and the Calculation Agent determines that such replacement Inflation Index

is calculated using the same or a substantially similar formula or method of calculation as used in the calculation of the Inflation Index, such replacement index shall be designated a "Successor Inflation Index";

- (c) if no Successor Inflation Index has been deemed under (a) or (b) the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be; if between four and five responses are received, and of those four or five responses, three or more leading independent dealers state the same index, such index will be deemed the "Successor Inflation Index"; if three responses are received, and two or more leading independent dealers state the same index, such index will be deemed the "Successor Inflation Index"; if fewer than three responses are received by the Cut-Off Date the Calculation Agent will determine an appropriate alternative index for such Affected Payment Date, and such index will be deemed a "Successor Inflation Index"; or
- (d) if the Calculation Agent determines that there is no appropriate alternative index there will be deemed to be no Successor Index and an Index Cancellation will be deemed to have occurred.

For the avoidance of doubt, the Calculation Agent shall determine the date on which the Successor Inflation Index shall be deemed to replace the Index for the purposes of the Inflation Index Securities. Notice of the determination of a Successor Inflation Index, the effective date of the Successor Inflation Index or the occurrence of an Index Cancellation will be given to holders of the Inflation Index Securities by the Issuer in accordance with General Condition 10.

#### **4. Adjustments**

##### **4.1 Successor Inflation Index**

If a Successor Inflation Index is determined in accordance with Inflation Index Security Condition 3 (Successor Inflation Index) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to the final Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities as the Calculation Agent deems necessary. The Issuer shall give notice to the Holders of any such adjustment in accordance with General Condition 10.

##### **4.2 Substitute Inflation Index Level**

If the Calculation Agent determines a Substitute Inflation Index Level in accordance with Inflation Index Security Condition 2 (Delay in Publication) above, the Calculation Agent may make any adjustment or adjustments (without limitation) to (a) the Substitute Inflation Index Level determined in accordance with Inflation Index Security Condition 2 (Delay in Publication) above and/or (b) the Interest Amount (in the case of Certificates) and/or Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities, in each case, as the Calculation Agent deems necessary. The Issuer shall give notice to the Holders of any such adjustment in accordance with General Condition 10.

##### **4.3 Index Level Adjustment Correction**

- (a) The first publication or announcement of the Relevant Level (disregarding estimates) by the Index Sponsor for any Reference Month shall be final and conclusive and, subject to Inflation Index Security Condition 4.6 (Index Modification) below, later revisions to the level for such Reference Month will not be used in any calculations, save that in respect of the EUR-All Items-Revised Consumer Price Index, the ESP National-Revised Consumer Price Index (CPI) and the ESP-Harmonised-Revised Consumer Price Index HCPI, revisions to the Relevant Level which are published or announced up to and including the day that is two Business Days prior

to any relevant Valuation Date will be valid and the revised Relevant Level for the relevant Reference Month will be deemed to be the final and conclusive Relevant Level for such Reference Month. The Issuer shall give notice to the Holders of any valid revision in accordance with General Condition 10.

- (b) If, within 30 days of publication or at any time prior to a Valuation Date in respect of which a Relevant Level will be used in any calculation or determination in respect of such Valuation Date, the Calculation Agent determines that the Index Sponsor has corrected the Relevant Level to correct a manifest error, the Calculation Agent may make any adjustment to any relevant Interest Amount (in the case of Certificates) and/or the Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities as the Calculation Agent 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 any such adjustment and/or amount in accordance with General Condition 10.
- (c) If a Relevant Level is published or announced at any time after the Cut-Off Date in respect of a Valuation Date in respect of which a Substitute Inflation Index Level was determined, the Calculation Agent may either (i) determine that such Relevant Level shall not be used in any calculation or determination under the Inflation Index Securities and that the Substitute Inflation Index Level shall be deemed to be the definitive Relevant Level for the relevant Reference Month, or (ii) to make any adjustment to any relevant Interest Amount (in the case of Certificates) and/or the Cash Settlement Amount payable under the Securities (if any) and/or any other relevant term of the Securities as it deems appropriate as a result of the announcement or publication of the Relevant Level and/or determine the amount (if any) that is payable as a result of such publication or announcement. The Issuer shall give notice to the Holders of any determination in respect of (i) or (ii), together with any adjustment or amount in respect thereof, in accordance with General Condition 10.

#### 4.4 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 Cash Settlement Amount, the Exercise Price (in the case of Warrants) and/or any other relevant term of the Securities (including the date on which any amount is payable by the Issuer), the Calculation Agent may make such adjustment or adjustments to any relevant Cash Settlement Amount and/or the Exercise Price (in the case of Warrants) and/or any Interest Amount (in the case of Certificates) and/or any other relevant term of the Securities as the Calculation Agent deems necessary. The Issuer shall give notice to the Holders of any such adjustment in accordance with General Condition 10.

#### 4.5 Rebasing

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the Relevant Level from the date of such rebasing; provided, however, that the Calculation Agent may make (a) if Related Bond is specified as applicable in the relevant Final Terms, any adjustments as are made pursuant to the terms and conditions of the Related Bond, if any, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as before the rebasing, and/or (b) if Related Bond is specified as not applicable in the relevant Final Terms or a Related Bond Redemption Event has occurred, the Calculation Agent may make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, and



in each case the Calculation Agent may make any adjustment(s) to any relevant Interest Amount (in the case of Certificates) and/or the Cash Settlement Amount payable under the Securities (if any) and/or any other term of the Securities as the Calculation Agent may deem necessary. If the Calculation Agent determines that neither (a) nor (b) above would produce a commercially reasonable result, the Issuer may cancel (in the case of Warrants) or redeem (in the case of Certificates) each Security on a date notified by the Issuer to Holders in accordance with General Condition 10 in which event the Issuer will pay to each Holder in respect of each such Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, an amount equal to the fair market value of a Security or a Unit, as the case may be, as determined by the Calculation Agent as at the date of cancellation taking into account the rebasing, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any adjustment, cancellation of the Securities or determination pursuant to this paragraph shall be given to Holders in accordance with General Condition 10.

#### 4.6 Index Modification

- (a) If on or prior to the Cut-Off Date in respect of any Valuation Date, the Calculation Agent determines that an Index Modification has occurred, the Calculation Agent may (i) if Related Bond is specified as applicable in the relevant Final Terms, make any adjustments to the relevant Inflation Index, any Relevant Level and/or any other relevant term of the Securities (including, without limitation, the Cash Settlement Amount payable under the Securities), consistent with any adjustments made to the Related Bond as the Calculation Agent deems necessary, or (ii) 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 relevant Inflation Index, any Relevant Level and/or any other term of the Inflation Index Securities (including, without limitation, any relevant Interest Amount (in the case of Certificates) and/or the Cash Settlement Amount payable under the Securities), as the Calculation Agent deems necessary for the modified Index to continue as the relevant Inflation Index and to account for the economic effect of the Index Modification.
- (b) If the Calculation Agent determines that an Index Modification has occurred at any time after the Cut-Off Date in respect of any Valuation Date, the Calculation Agent may determine either to ignore such Index Modification for the purposes of any calculation or determination made by the Calculation Agent with respect to such Valuation Date, in which case the relevant Index Modification will be deemed to have occurred with respect to the immediately succeeding Settlement Date (in the case of Warrants) or Interest Payment Date and/or Redemption Date (in the case of Certificates), as the case may be, such that the provisions of paragraph (a) above will apply, or, notwithstanding that the Index Modification has occurred following the Cut-Off Date, to make any adjustments as the Calculation Agent deems fit in accordance with paragraph (a) above.

#### 4.7 Index Cancellation

If the Calculation Agent determines that an Index Cancellation has occurred, the Issuer may:

- (a) elect for the Calculation Agent to calculate the relevant Interest Amount (in the case of Certificates) and/or Settlement Price using, in lieu of a published level for that Inflation Index, the level for that Inflation Index, as determined by the Calculation Agent in accordance with the formula for and method of calculating that Inflation Index last in effect prior to cancellation;

- (b) cancel (in the case of Warrants) or redeem (in the case of Certificates) all but not some only of the Securities on the date notified by the Issuer to Holders in accordance with General Condition 10 in which event the Issuer will pay to each Holder in respect of such Security, or, in the case of Warrants if Units are specified in the applicable Final Terms, each Unit, as the case may be, held by him an amount equal to fair market value of a Security, or a Unit, as the case may be, as determined by the Calculation Agent as at the date of cancellation taking into account the Index Cancellation, less the cost to the Issuer of unwinding or amending any related underlying hedging arrangements. Notice of any cancellation of the Securities pursuant to this paragraph shall be given to Holders in accordance with General Condition 10.

## ANNEX 7

### ADDITIONAL TERMS AND CONDITIONS FOR CURRENCY SECURITIES

The terms and conditions applicable to Currency Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Currency Security 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 Currency Security Conditions, the Currency Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Currency Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Averaging Date**" means the dates specified as such in the applicable Final Terms or, if any such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

"**Dual Exchange Rate**" means that any of the Base Currency, Subject Currency and/or Subject Currencies, splits into dual or multiple currency exchange rates;

"**Disrupted Day**" means any Scheduled Trading Day on which the Calculation Agent determines that a Disruption Event has occurred;

"**Illiquidity Disruption**" means the occurrence of any event in respect of any of the Base Currency, Subject Currency and/or Subject Currencies whereby it becomes impossible for the Calculation Agent to obtain a firm quote for such currency in an amount deemed necessary by the Calculation Agent to hedge its obligations under the Securities (in one or more transaction(s)) on the relevant Averaging Date or any Settlement Price Date (or, if different, the day on which rates for such Averaging Date or Settlement Price Date would, in the ordinary course, be published or announced by the relevant price source);

"**Price Source**" means the published source, information vendor or provider containing or reporting the rate or rates from which the Settlement Price is calculated as specified in the applicable Final Terms;

"**Price Source Disruption**" means that it becomes impossible to obtain the rate or rates from which the Settlement Price is calculated;

"**Scheduled Trading Day**" means a day on which commercial banks are open (or, but for the occurrence of a Disruption Event or a Dual Currency Disruption Event, as the case may be, would have been open) for business (including dealings in foreign exchange in accordance with the market practice of the foreign exchange market) in the principal financial centres of the Base Currency and Subject Currency or Subject Currencies;

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

"**Specified Maximum Days of Disruption**" means the number of days specified in the applicable Final Terms, or if not so specified, five Scheduled Trading Days;

"**Strike Date**" means the Strike Date specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of

the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Valuation Date"** means the date (in the case of Warrants), or the Interest Valuation Date and/or the Redemption Valuation Date (in the case of Certificates) specified in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the opinion of the Calculation Agent, any such day is a Disrupted Day, in which case the provisions of Currency Security Condition 3 (Consequences of a Disruption Event) shall apply;

**"Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time at which the Price Source publishes the relevant rate or rates from which the Settlement Price is calculated; and

**"Valid Date"** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

## **2. Disruption Events**

Unless Dual Currency Certificates is specified as applicable in the applicable Final Terms, the occurrence of any of the following events, in respect of any Base Currency, Subject Currency and/or Subject Currencies, shall be a Disruption Event:

- (a) Price Source Disruption;
- (b) Illiquidity Disruption;
- (c) Dual Exchange Rate;
- (d) any other event that, in the opinion of the Calculation Agent, is analogous to (a), (b) or (c); or
- (e) any other event specified in the applicable Final Terms.

The Calculation Agent shall give notice as soon as practicable to Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that but for the occurrence of the Disrupted Day would have been an Averaging Date, Settlement Price Date, Knock-in Determination Day or Knock-out Determination Day, as the case may be.

## **3. Consequences of a Disruption Event**

Upon a Disruption Event occurring or continuing on an Averaging Date or any Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published by the Price Source) as determined by the Calculation Agent, the Calculation Agent shall apply the applicable Disruption Fallback in determining the consequences of the Disruption Event.

**"Disruption Fallback"** means a source or method that may give rise to an alternative basis for determining the Settlement Price in respect of a Base Currency, Subject Currency and/or Subject Currencies when a Disruption Event occurs or exists on a day that is an Averaging Date or a Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be published or announced by the Price Source). The Calculation Agent shall take the relevant actions specified in either paragraph (a), (b) (in the case of Warrants) or (c) (in the case of Certificates) below.

- (a) if an Averaging Date or any Settlement Price Date is a Disrupted Day, the Calculation Agent will determine that the relevant Averaging Date or Settlement Price Date, as the case may be, shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day (in the case of

any Settlement Price Date) or Valid Date (in the case of an Averaging Date or Settlement Price Date that is not the Strike Date) unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Averaging Date or Settlement Price Date, as the case may be, is a Disrupted Day in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the Averaging Date or Settlement Price Date, as the case may be (irrespective, in the case of an Averaging Date or Settlement Price Date, of whether that last consecutive Scheduled Trading Day is already an Averaging Date or Settlement Price Date, as the case may be) and may determine the Settlement Price by using commercially reasonable efforts to determine a level for the Base Currency, Subject Currency and/or Subject Currencies as of the Valuation Time on the last such consecutive Scheduled Trading Day taking into consideration all available information that in good faith it deems relevant; or

- (b) in the case of Warrants, if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Valuation Date on giving notice to Holders in accordance with General Condition 10, the Issuer shall cancel all but not some only of the Warrants, each Warrant being cancelled by payment of an amount equal to the fair market value of such Warrant, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payment shall be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (c) in the case of Certificates:
  - (i) in the case of Certificates, if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and where Delayed Redemption on Occurrence of a Disruption Event is specified as not applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If Certificates are so redeemed, the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of such Certificate, less the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion payment being made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if an Averaging Date or any Settlement Price Date is a Disrupted Day but is not the Redemption Valuation Date, and if Delayed Redemption on Occurrence of a Disruption Event is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Currency Disruption Amount**") as soon as practicable following the occurrence of the Disruption Event (the "**Calculated Currency Disruption Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Currency Disruption Amount plus interest accrued from and including the Calculated Currency Disruption Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, its nominal amount; and/or

- (d) notwithstanding any provisions in the Conditions to the contrary, postpone any payment date related to such Averaging Date or Settlement Price Date (or, if different, the day on which prices for that date would, in the ordinary course, be provided or announced by the Price Source), as the case may be (including the Redemption Date or Settlement Date, as applicable) until the Business Day following the date on which a Disruption Event is no longer subsisting and no interest or other amount shall be paid by the Issuer in respect of such postponement.

#### **4. Settlement Price**

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security, or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, and subject to Currency Security Condition 3 above:

- (a) in the case of Currency Securities relating to a basket of Subject Currencies and in respect of a Subject Currency, 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 specified in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price 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 Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date 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 Weighting; and
- (b) in the case of Currency Securities relating to a single Subject Currency, an amount equal to the spot rate of exchange appearing on the Relevant Screen Page specified in the applicable Final Terms at the Valuation Time on (a) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price 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 Subject Currency for which one unit of the Base Currency can be exchanged) or, if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer Subject Currency/Base Currency exchange rates (expressed as aforesaid) at the Valuation Time on the relevant Settlement Price Date 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).

#### **5. Dual Currency Certificates**

If "Dual Currency Certificates" is specified as applicable in the applicable Final Terms, Currency Security Conditions 5 to 10 (inclusive) will apply.

#### **6. Dual Currency Certificate Definitions**

**"DCC Dual Exchange Rate"** means that one or more rates used to determine the Dual Currency Rate on a relevant day splits into dual or multiple currency exchange rates.

**"DCC Illiquidity Disruption"** means the occurrence of any event in respect of any of the Base Currency and/or the Subject Currency, whereby it becomes impossible for the Calculation Agent or Issuer to obtain a firm quote for such currency in an amount determined necessary by the Calculation Agent or Issuer to hedge its obligations under the Certificates (in one or more transaction(s)) on the relevant Dual Currency Determination Date.

**"Dual Currency Condition"** means, in respect of a Dual Currency Determination Date, that the Dual Currency Rate in respect of such Dual Currency Determination Date is (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Initial Rate of Exchange.

**"Dual Currency Determination Date"** means each date specified as such in the applicable Final Terms or, if such day is not a Scheduled Trading Day, the immediately succeeding Scheduled Trading Day unless, in the determination of the Calculation Agent, such day is a Dual Currency Disrupted Day, in which case the provisions of Currency Security Condition 10 (Consequences of a Dual Currency Disruption Event) shall apply.

**"Dual Currency Disrupted Day"** means any Scheduled Trading Day on which the Calculation Agent determines that a Dual Currency Disruption Event has occurred.

**"Dual Currency Disruption Event"** means the occurrence of any of the following events, in respect of the Subject Currency or the Base Currency:

- (a) a DCC Illiquidity Disruption;
- (b) a DCC Dual Exchange Rate; or
- (c) any other event that, in the opinion of the Calculation Agent, is analogous to (a) or (b).

**"Dual Currency Rate"** means the rate of exchange of the Base Currency into the Subject Currency at the Valuation Time on the relevant Dual Currency Determination Date (expressed as a number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged), as determined by the Calculation Agent by reference to the Relevant Screen Page specified in the applicable Final Terms (or any successor page thereto), provided that, if such rate of exchange is not available from such Relevant Screen Page at such time, the rate determined by the Calculation Agent in its sole and absolute discretion.

**"Strike Rate"** means the rate of exchange for the exchange of the Subject Currency into the Base Currency (expressed as a number of units (or part units) of the Subject Currency for which one unit of the Base Currency can be exchanged) specified in the applicable Final Terms.

## **7. Settlement Currency**

If:

- (a) Dual Currency Condition 1 is specified as applicable in the applicable Final Terms, the Settlement Currency in respect of the relevant Interest Amount, the relevant Premium Amount or the Cash Settlement Amount (as the case may be) will be (i) the Base Currency if the Dual Currency Condition on the relevant Dual Currency Determination Date is satisfied, otherwise (ii) the Subject Currency; or
- (b) Dual Currency Condition 2 is specified as applicable in the applicable Final Terms, the Settlement Currency in respect of the relevant Interest Amount or the relevant Premium Amount will be the Base Currency and the Settlement Currency in respect of the Cash Settlement

Amount will be (i) the Base Currency if the Dual Currency Condition on the relevant Dual Currency Determination Date is satisfied, otherwise (ii) the Subject Currency.

**8. Dual Currency Cash Settlement Amount**

In respect of Currency Securities where Dual Currency Certificates is specified as applicable in the applicable Final Terms, the definition of "Cash Settlement Amount" in Security Condition 28 shall be deleted and replaced with the following:

""**Cash Settlement Amount**" means the amount (which may never be less than zero) to which the Holder is entitled in the Settlement Currency in relation to each such Certificate as determined by the Calculation Agent pursuant to the provisions set out in the applicable Final Terms.

The Cash Settlement Amount (if any) shall be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention or as may be specified in the applicable Final Terms.

If the Dual Currency Condition is satisfied, the Cash Settlement Amount will be converted into the Settlement Currency at the Strike Rate."

**9. Dual Currency Interest or Premium Amount**

If Dual Currency Condition 1 is specified as applicable in the applicable Final Terms, notwithstanding the provisions of Security Condition 32 (in the case of any amount of interest payable in respect of the Securities) or Security Condition 33 (in the case of any Premium Amount payable in respect of the Securities), if the Dual Currency Condition is satisfied on the relevant Dual Currency Determination Date the amount of interest or the Premium Amount, as applicable, will be converted into the Settlement Currency at the Strike Rate.

**10. Consequences of a Dual Currency Disruption Event**

If a Dual Currency Determination Date is a Dual Currency Disrupted Day as determined by the Calculation Agent, the Calculation Agent will determine that the Dual Currency Determination Date shall be the first succeeding Scheduled Trading Day that is not a Dual Currency Disrupted Day, unless each of the number of consecutive Scheduled Trading Days equal to the Specified Maximum Days of Disruption immediately following the originally scheduled Dual Currency Determination Date is a Dual Currency Disrupted Day, in which case the Calculation Agent may determine that the last such consecutive Scheduled Trading Day shall be deemed to be the relevant Dual Currency Determination Date (irrespective of whether that last consecutive Scheduled Trading Day is already a Dual Currency Determination Date) and will determine the Dual Currency Rate by using commercially reasonable efforts to determine a rate of exchange of the Subject Currency into the Base Currency as of the Valuation Time on the last such consecutive Scheduled Trading Day.

Upon the occurrence of a Dual Currency Disrupted Day on any day that but for the occurrence of the Dual Currency Disrupted Day would have been a Dual Currency Determination Date, the Calculation Agent shall give notice as soon as practicable to Holders in accordance with General Condition 10.



## ANNEX 8

### ADDITIONAL TERMS AND CONDITIONS FOR FUND SECURITIES

The terms and conditions applicable to Fund Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Fund Security 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 Security Conditions, the Fund Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Fund Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Additional Extraordinary Fund Event**" means any event specified as such in the applicable Final Terms;

"**AUM Level**" has the meaning given to it in the applicable Final Terms, or if not so specified, with respect to (i) a Mutual Fund, EUR 50,000,000, or (ii) a Hedge Fund, EUR 100,000,000, or the equivalent in any other currency;

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

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

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

"**Delayed Payment Cut-off Date**" has the meaning given in the applicable Final Terms or, if not so specified, the date falling two calendar years after the originally designated Settlement Date, Redemption or Termination Date, as the case may be;

"**Extraordinary Fund Event Effective Date**" means, in respect of an Extraordinary Fund Event, the date on which such Extraordinary Fund Event occurs, or has occurred, as determined by the Calculation Agent in its sole and absolute discretion;

"**Fee**" has the meaning given to it in the applicable Final Terms;

"**Final Calculation Date**" means the date specified as such in the applicable Final Terms;

"**FRTB Information**" means sufficient information, including relevant risk sensitivities data, in a processable format to enable the relevant Issuer, the Calculation Agent and/or the Hedge Provider or any of their affiliates, as the case may be, to calculate its market risk in relation to any holding of Fund Shares, as if it were holding the assets of the relevant Fund directly (where, such information shall be deemed to be in a **processable format** if the information can be used by the relevant Issuer, the Calculation Agent and/or the Hedge Provider or any of their affiliates to compute its market risk);

"**Fund**" means each Mutual Fund, Hedge Fund or Private Equity Fund;

**"Fundamental Review of the Trading Book" or "FRTB"** means the comprehensive suite of capital rules developed by the Basel Committee on Banking Supervision, implemented in the European Union as part of the revised Capital Requirements Regulation (Regulation (EU) 2019/876) (as amended and/or supplemented from time to time);

**"Fund Basket"** means, where the Fund Securities are linked to the performance of Fund Shares of more than one Fund, a basket comprising such Fund Shares;

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

**"Fund Business Day (All Fund Shares Basis)"** means, with respect to a Fund Basket, a date (i) that is a Fund Valuation Date for all Fund Shares comprised in the Fund Basket, (ii) for which there has been a corresponding Fund Reporting Date in respect of each such Fund and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for each such Fund Share executed at the NAV per Fund Share published on the relevant Fund Reporting Date;

**"Fund Business Day (Per Fund Share Basis)"** means, with respect to a Fund Share, a date (i) that is a Fund Valuation Date in respect of such Fund Share, (ii) for which there has been a corresponding Fund Reporting Date and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published on the relevant Fund Reporting Date;

**"Fund Business Day (Single Fund Share Basis)"** means with respect to a Fund Share, a date (i) that is a Fund Valuation Date, (ii) for which there has been a corresponding Fund Reporting Date and (iii) on which the Hedge Provider has, or could have, a subscription or redemption order for the Fund Shares executed at the NAV per Fund Share published on the relevant Fund Reporting Date;

**"Fund Documents"** means, unless specified otherwise in the applicable Final Terms, with respect to any Fund Share, any of (i) the offering document of the relevant Fund in effect on the Hedging Date specifying, among other matters, the terms relating to such Fund Share (ii) any other documents or agreements in respect of the Fund, including without limitation, the constitutive and governing documents, subscription agreements and other agreements of the Fund, in each case as may be further described in any the offering document described in (i) above and (iii) any other agreements between the relevant Issuer, the Calculation Agent or the Hedge Provider, as applicable, and the Fund and/or any Fund Service Provider;;

**"Fund Reporting Date"** means, subject to the occurrence of an Extraordinary Fund Event, in respect of any Fund Share and a Fund Valuation Date, the date on which, in accordance with the Fund Documents, the relevant NAV per Fund Share is reported or published in respect of such Fund Valuation Date;

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

**"Fund Share(s)"** means an ownership interest issued to or held by an investor in a Fund or any other interest specified as such in the applicable Final Terms;

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

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

**"Hedge Provider"** means the party (being, *inter alios*, the Issuer, the Guarantor (if applicable), the Calculation Agent, an affiliate or any third party) from time to time who hedges the Issuer's obligations in respect of the Securities or where no such party actually hedges such obligations, a Hypothetical Investor, who shall be deemed to enter into transactions as if hedging such obligations. The Hedge Provider will hold or be deemed to hold such number of Fund Shares, or enter or be deemed to enter into any agreement to purchase or deliver, or pay an amount linked to the performance of, such number of Fund Shares as it (or in the case of a Hypothetical Investor, the Calculation Agent) considers would be held by a prudent issuer as a hedge for its exposure under the relevant Securities;

**"Hedging Date"** has the meaning given to it in the applicable Final Terms;

**"Hypothetical Investor"** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in a Fund Share which is deemed to have the benefits and obligations, as provided in the relevant Fund Documents, of an investor holding a Fund Share at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation);

**"Implied Embedded Option Value"** means an amount which may never be less than zero equal to the present value as at the Implied Embedded Option Value Determination Date of any future payments under the Securities determined by the Calculation Agent in its sole and absolute discretion taking into account, without limitation, such factors as interest rates, the net proceeds achievable from the sale of any Fund Shares by the Hedge Provider, the volatility of the Fund Shares and transaction costs;

**"Implied Embedded Option Value Determination Date"** means the date determined by the Calculation Agent to be the first date on which it is possible to determine the Implied Embedded Option Value following the occurrence of an Extraordinary Fund Event for which the Issuer determines the relevant action is to be Termination;

**"Initial Calculation Date"** means the date specified as such in the applicable Final Terms, or if not so specified, the Hedging Date;

**"Merger Event"** means, in respect of any relevant Shares and Entity (as defined below), any (i) reclassification or change of such Shares that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity with or into another entity or person (other than a consolidation, amalgamation, merger or binding share/unit/interest exchange in which such Entity, is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Shares of an Entity that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share/unit/interest exchange of an Entity or its subsidiaries with or into another entity in which the Entity is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such

other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Shares immediately following such event, in each case if the Extraordinary Fund Event Effective Date, as determined by the Calculation Agent, is on or before the Final Calculation Date. For the purposes of this definition "Merger Event" only, "**Shares**" shall mean the applicable Fund Shares or the shares of any applicable Fund Service Provider, as the context may require, and "**Entity**" shall mean the applicable Fund or any applicable Fund Service Provider, as the context may require.

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

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

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

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

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

"**Non-Principal Protected Termination Amount**" means an amount per Security determined by the sum of:

- (a) the Implied Embedded Option Value; and
- (b) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

"**Number of NAV Publication Days**" means the number of calendar days specified in the applicable Final Terms or if not so specified, with respect to (i) a Mutual Fund, 5 calendar days, or (ii) a Hedge Fund, 10 calendar days;

"**Principal Protected Termination Amount**" means an amount per Security determined as the sum of:

- (a) the Protected Amount;
- (b) the Implied Embedded Option Value; and
- (c) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Simple Interest;

**"Protected Amount"** means (i) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the amount specified as such in the applicable Final Terms, or (ii) if Delayed Redemption on Occurrence of an Extraordinary Fund Event is not specified as being applicable in the applicable Final Terms, the present value of a hypothetical zero coupon bond reflecting the principal protection feature of the Securities as of the Implied Embedded Option Value Determination Date, as determined by the Calculation Agent;

**"Private Equity Fund"** means the private equity fund(s) specified as such in the applicable Final Terms;

**"Simple Interest"** means an amount calculated by the Calculation Agent equal to the amount of interest that would accrue on the Implied Embedded Option Value during the period from (and including) the Implied Embedded Option Value Determination Date to (and including) the Final Calculation Date calculated on the basis that such interest were payable by the Floating Rate Payer under an interest rate swap transaction incorporating the 2006 ISDA Definitions (the **"ISDA Definitions"**) published by the International Swaps and Derivatives Association, Inc. (as amended or supplemented as at the Issue Date of the Securities, provided that, the Calculation Agent may, acting in good faith and in a commercially reasonable manner, select any successor or replacement definitional booklet to the 2006 ISDA Definitions (as supplemented from time to time for interest rate derivatives), in which case ISDA Definitions will mean any such successor or replacement definitional booklet to the 2006 ISDA Definitions), under which:

- (a) the "Effective Date" is the Implied Embedded Option Value Determination Date;
- (b) the "Termination Date" is the Termination Date;
- (c) the "Floating Rate Payer Payment Date" is the Termination Date;
- (d) the "Floating Rate Option" is EUR-EURIBOR-Reuters (if the Settlement Currency is EUR) or USD-LIBOR-BBA (if the Settlement Currency is USD);
- (e) the "Designated Maturity" is 3 months;
- (f) the "Simple Interest Spread" is as specified in the applicable Final Terms, or if not so specified minus 0.125 per cent.;
- (g) the "Floating Rate Day Count Fraction" is Actual/360;
- (h) the "Reset Date" is the Implied Embedded Option Value Determination Date and each date falling three calendar months after the previous Reset Date; and
- (i) "Compounding" is "Inapplicable";

**"Tender Offer"** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 50 per cent. and less than 100 per cent. of the outstanding voting shares, units or interests of the Fund or Fund Service Provider, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant;

**"Termination Amount"** means the amount specified in the applicable Final Terms or if not so specified, (a) in the case of Certificates, (i) the Principal Protected Termination Amount, or (ii) the Non-Principal Protected Termination Amount, as specified in the applicable Final Terms or (b) in the case of Warrants, an amount equal to the Implied Imbedded Option Value (if any);

**"Termination Date"** means (i) the date determined by the Issuer as provided herein and specified in the notice given to Holders in accordance with Fund Security Condition 4.2(d), or (ii) in the case of Certificates, if Delayed Redemption on Occurrence of an Extraordinary Fund Event is specified as being applicable in the applicable Final Terms, the Redemption Date;

**"Trade Date"** has the meaning given to it in the applicable Final Terms;

**"Volatility Trigger Event"** means, in respect of the Fund Shares and any Fund Business Day following the Trade Date, that the annualised realised volatility of the NAV per Fund Share in respect of the relevant Volatility Trigger Period is greater than the Volatility Trigger Percentage, provided that, the Calculation Agent shall determine the annualised realised volatility of the NAV per Fund Share in respect of the relevant Volatility Trigger Period acting in good faith and in a commercially reasonable manner, using its own internal valuation methodology, data and systems and, to the extent required, external systems and data provided by third parties;

**"Volatility Trigger Percentage"** means the percentage specified as such in the applicable Final Terms; and

**"Volatility Trigger Period"** means, in respect of any Fund Business Day, the period specified as such in the applicable Final Terms or, if not so specified, a period of one calendar year in each case ending on (but excluding) such Fund Business Day.

## **2. Extraordinary Fund Events**

Subject to the provisions of Fund Security Condition 3 (Determination of Extraordinary Fund Events), **"Extraordinary Fund Event"** means the occurrence or continuance at any time on or after the Trade Date of any of the following events as determined by the Calculation Agent:

### **Global Events:**

- 2.1 the Fund or any Fund Service Provider (i) ceases trading and/or, in the case of a Fund Service Provider, ceases administration, portfolio management, investment services, custodian, prime brokerage, or any other relevant business (as applicable) (ii) is dissolved or has a resolution passed, or there is any proposal, for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger); (iii) makes a general assignment or arrangement with or for the benefit of its creditors; (iv)(1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in sub-clause (iv)(1) above and either (x) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (y) is not immediately dismissed, discharged, stayed or restrained; (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; (vi) has a secured party take possession of all or substantially all its assets or has a distress,

execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not immediately dismissed, discharged, stayed or restrained; or (vii) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an effect analogous to any of the events specified in sub-clauses (i) to (vi) above; or

- 2.2 the occurrence of a Merger Event or Tender Offer;

**Litigation/Fraudulent Activity Events:**

- 2.3 there exists any litigation against the Fund or a Fund Service Provider which in the sole and absolute discretion of the Calculation Agent could materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares; or
- 2.4 (i) an allegation of criminal or fraudulent activity is made in respect of the Fund, or any Fund Service Provider, or any employee of any such entity, or the Calculation Agent reasonably determines that any such criminal or fraudulent activity has occurred, or (ii) any investigative, judicial, administrative or other civil or criminal proceedings is commenced or is threatened against the Fund, any Fund Service Provider or any key personnel of such entities if such allegation, determination, suspicion or proceedings could, in the sole and absolute discretion of the Calculation Agent, materially affect the value of the Fund Shares or the rights or remedies of any investor in such Fund Shares;

**Fund Service Provider/Key Person Events:**

- 2.5 (i) a Fund Service Provider ceases to act in such capacity in relation to the Fund and is not immediately replaced in such capacity by a successor acceptable to the Calculation Agent and/or (ii) any event occurs which causes, or will with the passage of time (in the opinion of the Calculation Agent) cause, the failure of the Fund and/or any Fund Service Provider to meet or maintain any obligation or undertaking under the Fund Documents which failure has had or may have an adverse impact on: (a) the value of the Fund Shares and/or on the rights and/or remedies of any investor in such Fund Shares or (b) the hedging implemented by the Hedge Provider and/or on the rights and/or remedies of the Hedge Provider; or
- 2.6 one or more of the key individuals involved with, or having supervision over, the Fund or a Fund Service Provider ceases to act in such capacity, and the relevant Fund Service Provider fails to appoint a replacement having similar qualifications to those of the key individual or individuals ceasing to act;

**Modification Events:**

- 2.7 a material modification of or deviation from any of the investment objectives, investment restrictions, investment process or investment guidelines of the Fund (howsoever described, including the underlying type of assets in which the Fund invests), from those set out in the Fund Documents, or any announcement regarding a potential modification or deviation, except where such modification or deviation is of a formal, minor or technical nature;
- 2.8 a material modification, cancellation or disappearance (howsoever described), or any announcement regarding a potential future material modification, cancellation or disappearance (howsoever described), of the type of assets (i) in which the Fund invests, or (ii) the Fund purports to track;

- 2.9 a material modification or material deviation, or any announcement regarding a potential future material modification or material deviation, of the Fund (including but not limited to a material modification of or material deviation from the Fund Documents or a material modification to or material deviation from the Fund's liquidity terms) other than a modification, deviation or event which does not affect the Fund Shares or the Fund or any portfolio of assets to which the Fund Share relates (either alone or in common with other Fund Shares issued by the Fund);
- 2.10 the creation by the Fund of any illiquid share class or unit howsoever described;
- 2.11 the currency denomination of the Fund Shares is amended from that set out in the Fund Documents so that the NAV per Fund Share is no longer calculated in the same currency as it was as at the Trade Date;
- 2.12 if applicable, the Fund ceases to be an undertaking for collective investments under the legislation of its relevant jurisdiction; or
- 2.13 following the issue or creation of a new class or series (howsoever described in the Fund Documents) of shares or units by the Fund, the Calculation Agent determines taking into consideration the potential cross-liability between classes of shares or units (howsoever described in the Fund Documents) that such new class or series has or may have an adverse effect on the hedging activities of the Hedge Provider in relation to the Securities;

**NAV per Fund Share/AUM Level Events:**

- 2.14 a material modification of the method of calculating the NAV per Fund Share;
- 2.15 any change in the periodicity of the calculation or the publication of the NAV per Fund Share;
- 2.16 any suspension of the calculation or publication of the NAV per Fund Share;
- 2.17 the occurrence of any event affecting a Fund Share that, in the sole and absolute discretion of the Calculation Agent, would make it impossible or impracticable for the Calculation Agent to determine the NAV per Fund Share;
- 2.18 any of the Fund, any Fund Service Provider or any other party acting on behalf of the Fund fails for any reason to calculate and publish the NAV per Fund Share within the Number of NAV Publication Days following any date scheduled for the determination of the valuation of the Fund Shares unless the cause of such failure to publish is of a technical nature and outside the immediate and direct control of the entity responsible for such publication;
- 2.19 any Fund Service Provider uses asset prices provided by the investment manager (howsoever described in the Fund Documents) to calculate the NAV per Fund Share when such asset prices could have been obtained from independent sources and the asset prices from independent sources materially diverge from the asset prices provided by the investment manager (howsoever described in the Fund Documents);
- 2.20 the assets under management of the Fund falls below the AUM Level;
- 2.21 (i) the Calculation Agent determines, at any time, that the NAV per Fund Share is inaccurate, or  
(ii) the reported net asset value of the Fund Shares misrepresents the net asset value of the Fund Shares;



- 2.22 a NAV Trigger Event occurs;
- 2.23 (i) in the case of a Hedge Fund only, the audited net asset value of the Fund and/or the NAV per Fund Share is different from the audited net asset value of the Fund and/or the NAV per Fund Share communicated by the relevant Fund Service Provider in respect of the same date, (ii) the auditors of the Fund qualify any audit report, or refuse to provide an unqualified audit report, in respect of the Fund, and/or (iii) the Calculation Agent, in its sole and absolute discretion, does not deem the audited net asset value of the Fund and/or the NAV per Fund Share to be representative of the actual net asset value of the Fund and/or the NAV per Fund Share; or
- 2.24 If Volatility Trigger Event is specified as applicable in the applicable Final Terms, a Volatility Trigger Event occurs;

**Reporting Events:**

- 2.25 any failure of the Fund, or its authorised representative, to deliver or publish, or cause to be delivered or published, (a)(i) information that the Fund has agreed to deliver or publish, or agreed to cause to be delivered or published, to the Calculation Agent, (ii) information of a type that has been previously delivered to the Calculation Agent or (iii) information that the Calculation Agent may reasonably request, in each case, in accordance with the Fund's, or its authorised representative's, normal practice and that the Calculation Agent deems necessary or desirable for it to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Fund Share or (b)(i) information that the Fund has agreed to deliver or publish, or agreed to cause to be delivered or published, to the Hedge Provider, (ii) information of a type that has been previously delivered to the Hedge Provider, or (iii) information that the Hedge Provider may reasonably request, in each case, in accordance with the Fund's, or its authorised representative's, normal practice and that the Hedge Provider deems necessary or desirable for it to monitor such Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Fund Share;
- 2.26 any Fund Service Provider fails to provide (a) the Calculation Agent within a reasonable time and in a format acceptable to the Calculation Agent any information that the Calculation Agent has reasonably requested regarding the investment portfolio or other activities or undertakings of the Fund or that may be required for the Calculation Agent to comply with its regulatory obligations or (b) the Hedge Provider within a reasonable time and in a format acceptable to the Hedge Provider any information that the Hedge Provider has reasonably requested regarding the investment portfolio or other activities or undertakings of the Fund or that may be required for the Hedge Provider to comply with its regulatory obligations; or;
- 2.27 any failure of the Fund, its authorised representative or any Fund Service Provider, as the case may be, to (a) make publicly available, either on a voluntary basis or as required by applicable laws and regulations, FRTB Information or (b)(i) provide the relevant Issuer and/or the Calculation Agent with FRTB Information, which in each case, would be reasonably likely to result in the relevant Issuer and/or the Calculation Agent or any of their affiliates incurring materially increased capital requirements (as compared to the Trade Date) in respect of its holding of any Fund Shares pursuant to the Fundamental Review of the Trading Book or (ii) provide any Hedge Provider with FRTB Information, which in each case, would be reasonably likely to result in any Hedge Provider or any of their affiliates incurring materially increased capital requirements (as compared to the Trade Date) in respect of its holding of any Fund Shares pursuant to the Fundamental Review of the Trading Book;

#### **Tax/Law/Accounting/Regulatory Events:**

- 2.28 there is a change in or in the official interpretation or administration of any laws or regulations relating to taxation that has or is likely to have a material adverse effect on any hedging arrangements entered into by any Hedge Provider in respect of the Securities (a "**Tax Event**") and, subject as provided below, the Hedge Provider has, for a period of one calendar month following the day the relevant Tax Event became known to it, used reasonable efforts to mitigate the material adverse effect of the Tax Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the period set out above for such mitigation shall be deemed satisfied on any date it is or becomes apparent at any time that there is no practicable means of mitigating the Tax Event; or
- 2.29 (i) any relevant activities of or in relation to the Fund or a Fund Service Provider are or become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any present or future law, regulation, judgment, order or directive of any governmental, administrative, legislative or judicial authority or power, or in the interpretation thereof, in any applicable jurisdiction (including, but not limited to, any cancellation, suspension or revocation of the registration or approval of the Fund by any governmental, legal or regulatory entity with authority over the Fund), (ii) a relevant authorisation or licence is revoked, lapses or is under review by a competent authority in respect of the Fund or a Fund Service Provider or new conditions are imposed, or existing conditions varied, with respect to any such authorisation or licence, (iii) the Fund is required by a competent authority to redeem any Fund Shares, (iv) the Hedge Provider is required by a competent authority or any other relevant entity to dispose of or compulsorily redeem any Fund Shares held in connection with any hedging arrangements relating to the Securities and/or (v) any change in the legal, tax, accounting or regulatory treatment of the Fund or any Fund Service Provider that is reasonably likely to have an adverse impact on the value of the Fund Shares or other activities or undertakings of the Fund or on the rights or remedies of any investor in such Fund Shares, including any Hedge Provider;

#### **Hedging/Impracticality/Increased Costs Events:**

- 2.30 in connection with any hedging activities in relation to the Securities, as a result of any adoption of, or any change in, any law, order, regulation, decree or notice, howsoever described, after the Trade Date, or issuance of any directive or promulgation of, or any change in the interpretation, whether formal or informal, by any court, tribunal, regulatory authority or similar administrative or judicial body of any law, order, regulation, decree or notice, howsoever described, after such date or as a result of any other relevant event (each a "**Relevant Event**") (i) it would become unlawful or impractical for the Hedge Provider to hold (including, without limitation, circumstances requiring the Hedge Provider to modify any reserve, special deposit, or similar requirement or that would adversely affect the amount of regulatory capital that would have to be maintained in respect of any holding of Fund Shares or that would subject a holder of the Fund Shares or the Hedge Provider to any loss), purchase or sell the relevant Fund Shares or any underlying assets of or related to the Fund or for the Hedge Provider to maintain such hedging arrangements and, (ii) subject as provided below, the Hedge Provider has, for a period of one calendar week following the day the Relevant Event became known to it, used reasonable efforts to mitigate the effect of the Relevant Event by seeking to transfer such hedging arrangements to an affiliated company, provided that the Hedge Provider shall not under any circumstances be obliged to take any steps which would result in sustaining a loss or expense of any kind and the

period of one calendar week set out above shall be deemed satisfied on any date it is or becomes at any time apparent that there is no practicable means of mitigating the Relevant Event;

- 2.31 in connection with the hedging activities in relation to the Securities, if the cost to the Hedge Provider in relation to the Securities and the related hedging arrangements (including, but not limited to, new or increased taxes, duties, expenses or fees) would be materially increased or the Hedge Provider would be subject to a material loss relating to the Securities and the related hedging arrangements;
- 2.32 in connection with the hedging activities in relation to the Securities, the Hedge Provider is unable or it becomes impractical for the Hedge Provider, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary to hedge the Issuer's obligations under the Securities or (ii) to realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of (A) any restrictions or increase in charges or fees imposed by the Fund on any investor's ability to redeem a Fund Share, in whole or in part, or any existing or new investor's ability to make new or additional investments in such Fund Share, or (B) any mandatory redemption, in whole or in part, of such Fund Share; or
- 2.33 at any time on or after the Trade Date of the first issue of the Series, the Hedge Provider directly or indirectly acquires any ownership interest in or sponsors a covered fund that is not subject to an exemption under 12 U.S.C. §1851 (the "**U.S. Volcker Rule**");
- 2.34 at any time on or after the Trade Date, the Issuer and/or any of its Affiliates would incur an increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, capital and/or funding costs, expense or fee (other than brokerage commissions) to maintain the Securities;
- 2.35 at any time on or after the Trade Date of the first issue of the Series, (i) the Hedge Provider unintentionally acquires directly or indirectly any ownership interest in a Fund that exceeds 10 per cent. of the total assets under management or (ii) as a consequence of changes in the performance, size, investment strategy or liquidity of a Fund, the Hedge Provider holds an ownership interest in such Fund that exceeds 10 per cent. of the total assets under management;

#### **Dealing Events:**

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

### **Miscellaneous Events:**

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

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

- (i) "**Fund**" shall include the Fund and any funds in which it invests any of its investible assets from time to time;
- (ii) "**Fund Shares**" shall include the Fund Shares and the shares or units in any Fund (as defined in sub-paragraph (i) above); and
- (iii) in the case of a Private Equity Fund only, "**Extraordinary Fund Event**" shall have the meaning given to it in the applicable Final Terms.

### **3. Determination of Extraordinary Fund Events**

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

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

#### 4. Consequences of an Extraordinary Fund Event

- 4.1 If the Calculation Agent determines that an Extraordinary Fund Event has occurred, the Calculation Agent may, on or prior to the date on which such Extraordinary Fund Event is no longer continuing, give notice ("**Extraordinary Fund Event Notice**") to the Holders in accordance with General Condition 10 (which notice shall be irrevocable), of the occurrence of such Extraordinary Fund Event (the date on which an Extraordinary Fund Event Notice is given, an "**Extraordinary Fund Event Notification Date**") and set out, if determined at that time, the action that it has determined to take in respect of the Extraordinary Fund Event pursuant to Fund Security Condition 4.2 below. Where the action that the Issuer has determined to take is not, for whatever reason, set out in the Extraordinary Fund Event Notice, the action that the Issuer has determined to take shall be set out in a subsequent notice given to Holders in accordance with General Condition 10 as soon as reasonably practicable after the Extraordinary Fund Event Notification Date.

For such purposes, an Extraordinary Fund Event shall be considered to be "continuing" if it has not been remedied to the reasonable satisfaction of the Issuer.

The Calculation Agent shall provide Holders with an Extraordinary Fund Event Notice as soon as reasonably practicable following the determination of an Extraordinary Fund Event. However, neither the Issuer nor the Calculation Agent shall be responsible for any loss, underperformance or opportunity cost suffered or incurred by any Holder or any other person in connection with the Securities as a result of any delay, howsoever arising. If the Calculation Agent gives an Extraordinary Fund Event Notice, the Issuer shall have no obligation to make any payment or delivery in respect of the Securities until the Issuer has determined the action that it has determined to take pursuant to Fund Security Condition 4.2 below.

- 4.2 Following the occurrence of an Extraordinary Fund Event, the Issuer, in its sole and absolute discretion, may take the action described below in paragraph (a), (b), (c) or (d).

(a) No Action

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**No Action**", then the Fund Securities shall continue and there shall be no amendment to the Terms and Conditions and/or the applicable Final Terms.

(b) Adjustment

If the Issuer, in its sole and absolute discretion, determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Adjustment**", then the Calculation Agent may determine, in its sole and absolute discretion, the appropriate adjustment(s), if any, to be made to any one or more Fund, Fund Share and/or the Weighting and/or (in the case of Warrants) the Exercise Price and/or any of the other terms of these Terms and Conditions and/or the applicable Final Terms (including adjusting any Fee) to take account of the Extraordinary Fund Event and determine the effective date of such adjustment.

(c) Substitution

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

- (i) determine the weighted average price at which a Hypothetical Investor can redeem the Fund Shares in the relevant Fund in such number as determined by the Calculation Agent in its sole and absolute discretion as soon as it is reasonably practicable following the Extraordinary Fund Event;
  - (ii) for a period of not longer than 14 calendar days following the date on which a Hypothetical Investor would have received proceeds from a redemption order in full submitted by the Hedge Provider as soon as practicable following the occurrence of an Extraordinary Fund Event, use reasonable efforts to substitute the Fund Shares with shares, units or other similar interests in an alternative fund which, in the sole and absolute determination of the Calculation Agent, has similar characteristics to the relevant Fund, including but not limited to, comparable investment objectives, investment restrictions and investment processes and has service providers acceptable to the Calculation Agent;
  - (iii) if no alternative fund can be determined pursuant to the preceding sub-paragraph (ii) above, use reasonable efforts to substitute the Fund with an index (or a fund tracking such index) selected by the Calculation Agent in its sole and absolute discretion; and
  - (iv) following any substitution in accordance with sub-paragraph (ii) or (iii) above, the Issuer may, in its sole and absolute discretion, require the Calculation Agent make such determinations and/or adjustments to these Terms and Conditions and/or the Final Terms as it determines to be appropriate to take account of such Substitution.
- (d) Termination

If the Issuer determines that the action to be taken in respect of the Extraordinary Fund Event is to be "**Termination**", on giving notice to Holders in accordance with General Condition 10 (which such notice may be included in the Extraordinary Fund Event Notice in respect of the relevant Extraordinary Fund Event and will specify the Termination Date), (i) in the case of Warrants, all but not some only of the outstanding Fund Securities shall be cancelled by payment of the Termination Amount on the Termination Date, or (ii) in the case of Certificates, all but not some only of the outstanding Fund Securities shall be redeemed by payment of the Termination Amount on the Termination Date, subject, in the case of both (i) and (ii), to Fund Security Condition 5. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10.

- (e) General

In determining to take a particular action as a result of an Extraordinary Fund Event, the Issuer is under no duty to consider the interests of Holders or any other person. In making any determination as to which action to take following the occurrence of an Extraordinary Fund Event, neither the Issuer nor the Calculation Agent shall be responsible for any loss (including any liability in respect of interest), underperformance or opportunity cost suffered or incurred by Holders or any other person in connection with the Securities as a result thereof, howsoever arising including as a result of any delay in making any payment or delivery in respect of the Securities.

## 5. Settlement Date/Redemption Date/Termination Date Extension

In the case of Cash Settled Securities, if on the date falling two Business Days prior to the originally designated Settlement Date, Redemption Date or Termination Date, as the case may be, the Hedge Provider has not, after having placed one or more redemption orders in respect of its holding of Fund Shares in accordance with the terms of the relevant Fund Documents, received redemption proceeds in

full in respect of such Fund Shares (the "**Redemption Proceeds**"), the Calculation Agent may postpone the Settlement Date, Redemption Date or Termination Date, as the case may be, and notify the Holders thereof in accordance with General Condition 10.

As soon as practicable following receipt by the Hedge Provider of the Redemption Proceeds the Calculation Agent shall give notice to Holders in accordance with General Condition 10 (such notice the "**Delayed Payment Notice**") and cancel (in the case of Warrants) or redeem (in the case of Certificates) the Securities on the date falling not more than five Business Days following the receipt of the Delayed Payment Notice (such date, the "**Postponed Settlement Date**") by payment to each Holder of the Cash Settlement Amount or the Termination Amount, as the case may be, provided that, if the Hedge Provider does not receive the Redemption Proceeds within the period ending on the Delayed Payment Cut-off Date, the Postponed Settlement Date shall be the Delayed Payment Cut-off Date.

## ANNEX 9

### ADDITIONAL TERMS AND CONDITIONS FOR MARKET ACCESS SECURITIES

The terms and conditions applicable to Market Access Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Market Access Security 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 Market Access Security Conditions, the Market Access Security Conditions set out below shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Market Access Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Interim Payment Amount/Interim Coupon Amount

If so specified in the applicable Final Terms, the following provisions shall apply:

- (a) The Issuer will pay an amount in cash in respect of each Security equal to any then unpaid Interim Payment Amount or Interim Coupon Amount in accordance with this Market Access Security Condition 1.
- (b) The Issuer will, or will cause the Calculation Agent to (i) provide written notice to the Principal Security Agent as soon as reasonably practicable after any Applicable Cash Dividend Amount or any Applicable Cash Coupon Amount, or any Applicable Cash Distribution Amount, as applicable, is received by a Qualified Investor entitled to receive it, of the Interim Payment Amount or the Interim Coupon Amount to be paid with respect to each Security in relation thereto, and (ii) pay such Interim Payment Amount or the Interim Coupon Amount to the Agent in time for payment to the Holders on the Interim Payment Date or the Interim Coupon Date, as applicable.
- (c) Payment of an Interim Payment Amount or an Interim Coupon Amount shall be made to the Holder on the applicable Interim Payment Date or Interim Coupon Date. If the Share Company or the Basket Company or the Security Issuer, as applicable, fails to deliver to a Qualified Investor entitled to receive it any Applicable Cash Dividend Amount or any Applicable Cash Coupon Amount or any Applicable Cash Distribution Amount, as applicable, before the 120th day after the earliest of any Actual Exercise Date and the Expiration Date (in the case of Warrants), or Redemption Date (in the case of Certificates) (the "**Applicable Cash Dividend Failure Date**" or "**Applicable Cash Coupon Failure Date**" or "**Applicable Cash Distribution Failure Date**"), the Holders will receive no payment in respect of any such unpaid Applicable Cash Dividend Amount or Applicable Cash Coupon Amount or any Applicable Cash Distribution Amount, and the Issuer will, or will cause the Calculation Agent to, provide written notice to the Agent promptly after such Applicable Cash Dividend Failure Date or the Applicable Cash Coupon Failure Date or the Applicable Cash Distribution Failure Date.
- (d) The Calculation Agent will determine the Interim Payment Amount or the Interim Coupon Amount, if any, of the Securities in its discretion acting in good faith and in a commercially reasonable manner.
- (e) Definitions relating to Interim Payment Amount/Interim Coupon Amount

Unless otherwise specified in the applicable Final Terms:



**"Applicable Cash Coupon Amount"** shall mean the net cash coupon on one Debt Instrument, paid to a Qualified Investor entitled to receive it in respect of any single declaration of cash interests, expressed in the Settlement Currency as determined by the Calculation Agent, the Coupon Payment Dates for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on either the earliest of any Actual Exercise Date and the Expiration Date (in the case of Warrants) or the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption (in the case of Certificates), in respect of Securities held through Euroclear and/or Clearstream, Luxembourg;

**"Applicable Cash Distribution Amount"** shall mean the (i) net cash distribution or (ii) net sale proceeds of any property in respect of one Share, paid to a Qualified Investor entitled to receive it in respect of any single cash distribution or sale, expressed in the Settlement Currency as determined by the Calculation Agent, the record or effective date for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on the earliest of any Actual Exercise Date and the Expiration Date (in the case of Warrants), or the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption (in the case of Certificates), in respect of Securities held through Euroclear and/or Clearstream, Luxembourg;

**"Applicable Cash Dividend Amount"** shall mean the net cash dividend on one Share, paid to a Qualified Investor entitled to receive it in respect of any single declaration of cash dividends, expressed in the Settlement Currency as determined by the Calculation Agent, the ex-dividend date for which falls during the period from and including the Issue Date to and including 10.00 a.m. Brussels or Luxembourg time (as appropriate) on the earliest of any Actual Exercise Date and the Expiration Date (in the case of Warrants), or either the Redemption Date or any earlier date on which the relevant Certificate becomes due for redemption (in the case of Certificates), in respect of Securities held through Euroclear and/or Clearstream, Luxembourg;

**"Coupon Payment Dates"** means the dates falling after the Issue Date on which the Security Issuer is scheduled to pay interest on the Debt Instruments, which is specified in the Final Terms;

**"Debt Instruments Amount"** means, subject to adjustment in accordance with Annex 4, the number of underlying Debt Instruments per Security as specified in the Final Terms;

**"Interim Coupon Amount"** shall mean an amount in the Settlement Currency equal to the product of (a) any Applicable Cash Coupon Amount and (b) the Debt Instruments Amount applicable on the relevant Coupon Payment Date (net of any and all withholding taxes based upon the maximum statutory rates (or any other rate specified in the Final Terms) applicable to a Qualified Investor in connection with the receipt of such interest);

**"Interim Coupon Date"** means the fifth Business Day following the date the relevant Applicable Cash Coupon Amount is received by a Qualified Investor entitled to receive it;

**"Interim Payment Amount"** shall mean an amount in the Settlement Currency equal to the product of (a) any Applicable Cash Dividend Amount or any Applicable Cash Distribution Amount, as applicable, and (b) the Share Amount applicable on the relevant ex-dividend date (or in the case of Share Securities linked to GDRs or ADRs, the Share Amount applicable on the relevant record date in respect of the Shares (net of any and all withholding taxes based upon

the maximum statutory rates (or any other rate specified in the Final Terms) applicable to a Qualified Investor in connection with the receipt of such dividends or distributions);

**"Interim Payment Date"** means the fifth Business Day following the date the relevant Applicable Cash Dividend Amount or Applicable Cash Distribution Amount, as applicable, is received by a Qualified Investor entitled to receive it;

**"Security Issuer"** means, subject to adjustment in accordance with Annex 4, the issuer of the Debt Instrument; and

**"Share Amount"** shall mean, subject to adjustment in accordance with Annex 4, the number of underlying Shares per Security as specified in the Final Terms.

## 2. Potential Adjustment Event

If so specified in the applicable Final Terms, Share Security Condition 3 shall be amended by the addition of the following at the end of the penultimate paragraph:

Any adjustment to the terms of the Securities following a Potential Adjustment Event shall take into account the economic cost of any taxes, duties, levies, fees or registration payable by or on behalf of the Issuer or any of their relevant affiliates or a Qualified Investor charged on subscription, acquisition or receipt (sale or disposal) of any Shares or other securities received as a result of the Potential Adjustment Event, such calculations to be determined and carried out by the Calculation Agent in good faith. In respect of an event as set out in paragraph (b) of the definition of Potential Adjustment Event (as amended by Share Security Condition 11), in lieu of making any adjustment to the terms of the Securities, the Issuer or a Qualified Investor may exercise its discretion to sell any or all of the property a holder of the Shares should receive and pass the net sale proceeds to the Holders instead in accordance with Share Security Condition 3.

## 3. Stock Dividends or Stock Distributions and Rights Issues

If so specified in the Final Terms, the following provisions shall apply:

- (a) In the event that a stock dividend in respect of the Shares or dividend in the form of Shares (a **"Stock Dividend"**) is declared by the Share Company or the Basket Company, as applicable, during the period from and including the Issue Date to but excluding the Settlement Date (in the case of Warrants) or the Redemption Date (in the case of Certificates), (or in the case of Share Securities linked to GDRs or ADRs, in the event that there has been any stock distribution (a **"Stock Distribution"**) in respect of the Underlying Shares the record or effective date of which falls during the period from and including the Issue Date to but excluding either the Redemption Date or any earlier date on which the relevant Certificates become due for redemption), in lieu of making an adjustment to the Securities, the Issuer may issue an amount of further Securities (the **"Further Securities"**) to the holder of Securities that would receive such Stock Dividend or Stock Distribution according to market practice in relation to a sale of Shares executed on the Business Day preceding the date of declaration of such Stock Dividend (or in the case of Share Securities linked to GDRs or ADRs, on the Business Day preceding the record or effective date in relation to such Stock Distribution) (if such holder of Security had been the buyer in such sale) to reflect the issue of the Stock Dividend or Stock Distribution (as adjusted for any withholding tax or charges) notwithstanding that such person may not be the holder of the Security as of the date on which the Further Securities are issued. Further Securities issued

pursuant to this paragraph may be issued to the holders of the Securities free of charge or at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith.

- (b) In addition, in the event that a rights issue (a "**Rights Issue**") in respect of the Shares is declared by the Share Company or the Basket Company during the period from and including the Issue Date to but excluding the Settlement Date (in the case of Warrants) or either the Redemption Date or any earlier date on which the relevant Certificates become due for redemption (in the case of Certificates), in lieu of making an adjustment to the Securities, the Issuer may issue an amount of Further Securities to the holder of the Security that would receive such Rights Issue according to market practice in relation to a sale of Shares executed on the Business Day preceding the date of declaration of such Rights Issue (or in the case of Share Securities linked to GDRs or ADRs, on the Business Day preceding the record or effective date in relation to such Rights Issue) (if such holder of a Security had been the buyer in such sale) to reflect the Rights Issue (as adjusted for any withholding tax or charges) notwithstanding that such person may not be the holder of the Security as of the date on which the Further Securities are issued. Further Securities issued pursuant to this paragraph may be issued to the holders of the Securities at an issue price as determined in the sole discretion of the Calculation Agent acting in good faith.
- (c) The Issuer may issue the Further Securities, if any, to the relevant person five Business Days following the day on which a foreign investor would have received the relevant Stock Dividends or Shares upon exercise of the Rights Issue or such later date as the Calculation Agent shall determine in its sole discretion. Any determination by the Calculation Agent in respect of the persons to whom the Further Securities should be issued shall (save in the case of manifest error) be final, conclusive and binding on the Issuer and the holders of Securities.
- (d) If a Holder holds more than one Security, the number of Securities held by such Holder may be aggregated for the purposes of determining the number of Further Securities to be issued to such Holder pursuant to the above.
- (e) In the event that any Further Securities are to be issued at an issue price, no Holder will be obliged to purchase such Further Securities but if such Further Securities are not purchased pursuant to the relevant terms of offer, the Issuer shall have no further obligations to the relevant Holder in respect of such Stock Dividend or Rights Issue, as the case may be.
- (f) Upon the declaration of a Stock Dividend or a Rights Issue by the Share Company or the Basket Company and the election by the Issuer to issue Further Securities, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 stating the declaration of the Stock Dividend or the Rights Issue, the election by the Issuer to issue Further Securities and giving details thereof.

#### **4. Issuer's option following an Additional Disruption Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

- (a) Issuer's Option following Additional Disruption Event

Upon the occurrence of any event that constitutes more than one of an Additional Disruption Event or a Market Disruption Event, the Calculation Agent shall have sole discretion to determine which one or more of such events it shall be deemed to constitute. The Calculation Agent shall act in good faith in making such determination.

If the Issuer decides to give notice to holders of Securities of the occurrence of an Additional Disruption Event, it shall state in such notice whether the Securities will be cancelled (in the case of Warrants) or redeemed (in the case of Certificates) (in whole or in part) pursuant to Market Access Security Condition 4(b) below or whether the Issuer's obligations under the Securities will be suspended pursuant to Market Access Security Condition 4(c) below. If the Issuer elects to give notice to holders of Securities of a suspension of its obligations under the Securities pursuant to Market Access Security Condition 4(c) below, the Issuer shall nevertheless retain the right at all times to cancel, or redeem, as the case may be, the Securities pursuant to Market Access Security Condition 4(b) below by giving notice to Holders in accordance with General Condition 10.

(b) Cancellation and Redemption

Upon the Issuer's election to cancel (in the case of Warrants) or redeem (in the case of Certificates), the Securities as aforesaid (or upon expiry of the 30 day period referred to in paragraph (c) below), the Issuer will, in respect of each and every Warrant cancelled or Certificate redeemed (each a "**Cancelled Security**") cause to be paid to the holders of Securities an amount determined to be the fair market value of the Cancelled Security as at cancellation or redemption, as the case may be, (which may be nil) taking into consideration all information which the Calculation Agent deems relevant (including the circumstances that resulted in the occurrence of the Additional Disruption Event) less the cost to the Issuer and/or its affiliates of unwinding any related hedging arrangements (including but not limited to selling or otherwise realising the Shares or the Debt Instruments or any options or futures contracts in relation to the Shares or the Debt Instruments), all as determined by the Calculation Agent in its discretion acting in good faith and in a commercially reasonable manner. At the election of the Issuer such payment may be made in the Local Currency in the Relevant Jurisdiction, in which case the holders of Securities will have responsibility for establishing an account in the Relevant Jurisdiction in order to receive such payments; provided that if it is impracticable or unlawful for the Issuer to pay such amount in the Relevant Jurisdiction, or the relevant holders of Securities do not establish the necessary account in the Relevant Jurisdiction, to receive payment(s) in the currency the Issuer elects, the Issuer shall not be obliged to make payment of any such amounts so affected, as applicable. Payment will be made, as the case may be, in such manner as shall be notified to the holders of Securities in accordance with General Condition 10.

(c) Suspension

Upon the Issuer's election to suspend the Securities, the Issuer's obligations in respect of the Securities may be suspended up until the tenth day after such Additional Disruption Event shall cease to exist. In the event that such date shall not have arisen before the date which falls 30 days after the Settlement Date (in the case of Warrants) or either the Redemption Date or any earlier date on which the Certificates become due for redemption (in the case of Certificates), the Securities shall be cancelled or redeemed, as the case may be, in each case, pursuant to paragraph (b) above.

(d) Conclusive Determination

All determinations made by the Issuer and/or Calculation Agent pursuant to this Market Access Security Condition 4 shall be conclusive and binding on the Holders and the Issuer. No holders of Securities will be entitled to any compensation from the Issuer for any loss suffered as a result of the occurrence of an Additional Disruption Event.

## 5. **Regulatory Change Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

Upon the occurrence of a Regulatory Change Event, the Calculation Agent will (a) make the corresponding adjustment, if any, to any one or more of any Exercise Price (in the case of Warrants) and/or Share Amount and/or the Cash Settlement Amount and/or any of the other terms of the Terms and Conditions and/or the applicable Final Terms as the Calculation Agent in its sole and absolute discretion determines appropriate to account for the effect of such Regulatory Change Event and (b) determine the effective date of that adjustment.

Upon the making of any such adjustment by the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10, stating the adjustment to any Exercise Price (in the case of Warrants) and/or Share Amount and/or the Cash Settlement Amount and/or any of the other terms of the Terms and Conditions and/or the applicable Final Terms and giving brief details of the Regulatory Change Event.

**"Regulatory Change Event"** means any event which, in the determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, constitutes:

- (a) the adoption of, change in or change in the interpretation or administration of, any law, rule or regulation by any governmental authority, central bank or comparable agency ("**governmental authority**"); and/or
- (b) the compliance by the Issuer and/or any of its affiliates with any request or directive of any governmental authority (whether or not having the force of law),

and which (i) imposes, modifies, applies or eliminates any tax, reserve, special deposit, insurance assessment or any other requirement in respect of assets or deposits of the Issuer and/or any of its affiliates in respect of (A) the issue and/or exercise (in the case of Warrants) or redemption (in the case of Certificates) of the Securities or (B) any transaction entered into by the Issuer and/or any of its affiliates to hedge, either directly or indirectly, the obligations of the Issuer in respect of the Securities; and/or (ii) affects in any other way the cost to the Issuer and/or any of its affiliates of: (I) the issue and/or exercise (in the case of Warrants) or redemption (in the case of Certificates) of Securities; and/or (II) hedging, either directly or indirectly, the obligations of the Issuer in respect of the Securities.

## 6. **Early Cancellation Event**

If so specified in the applicable Final Terms, the following provisions shall apply:

- (a) In the event that in the determination of the Calculation Agent, the Debt Instruments (in whole or in part) (x) become due and repayable by reason of a default in payment, an event of default or any similar credit event of the Security Issuer, or (y) become due and repayable on a date prior to its maturity date (other than by reason of any default), or (z) become subject to conversion into underlying shares or stock (each an "**Early Cancellation Event**"), the Issuer will be entitled to:
  - (i) cancel (in the case of Warrants) or redeem (in the case of Certificates), the Securities by giving notice to the Holders in accordance with General Condition 10 and pay the Early Cancellation Amount to each Holder in respect of each Security held by him on the Early Cancellation Date; or

- (ii) in relation to a redemption and/or conversion in part of the Debt Instruments (a "**Partial Early Cancellation**"), require the Calculation Agent to determine whether such partial cancellation or redemption, as the case may be, and/or conversion affects the Debt Instruments held by the Issuer and/or its affiliates in order to hedge the Issuer's obligations in respect of the Securities (the "**Aggregate Hedge Position**") or otherwise makes it impossible, impracticable or unduly onerous for the Issuer and/or its affiliates to hedge the Issuer's obligations in respect of the Securities and, if so, gives notice to the Holders in accordance with General Condition 10,

and:

- (x) pay the Early Cancellation Amount to each Holder in respect of each Security held by him on the Early Cancellation Date; and/or
- (y) reduce the Debt Instruments Amount by an amount equal to the Affected Portion and/or require the Calculation Agent to determine in its sole discretion the appropriate adjustment, if any, to be made to any one or more of the Settlement Price and/or any of the other terms of these Conditions and/or the Final Terms to account for such payment and determine the effective date of that adjustment.

Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10.

(b) Definitions

For the purposes of this Market Access Security Condition 6:

**"Early Cancellation Date"** means the date falling four Business Days after the date on which the Early Cancellation Amount is determined.

**"Early Cancellation Securities Amount"** means (a) in the case of Market Access Security Condition 6(a)(i), the Debt Instruments Amount and (b) in the case of Market Access Security Condition 6(a)(ii), each Security's pro rata portion (the Affected Portion) of the nominal amount of Debt Instruments comprising the Aggregate Hedge Position affected by the Partial Early Cancellation, all as determined by the Calculation Agent in its sole and absolute discretion.

**"Early Cancellation Amount"** means, in respect of each Security, an amount calculated by the Calculation Agent equal to the arithmetic average price per Early Cancellation Securities Amount (net of any costs), which the Issuer or its affiliate obtains in selling or otherwise realising the Debt Instruments (the "**Sale Proceeds**"), provided however that:

- (i) if Market Access Security Condition 6(a)(i) applies in respect of the Securities, the Issuer may elect to pay, in lieu of the Sale Proceeds, the amount of principal which a Qualified Investor would have received pursuant to the terms of the Debt Instruments as a result of the Early Cancellation Event if it held the Early Cancellation Securities Amount (net of any costs, including those that would have been withheld in relation to payment of such cash amount to a Qualified Investor); or
- (ii) if Market Access Security Condition 6(a)(ii) applies in respect of the Securities, the Issuer may elect to pay, in lieu of the Sale Proceeds, the arithmetic average price per Early Cancellation Securities Amount and, in the case of Warrants, net of any costs

which the Issuer or its affiliate obtains in selling or otherwise realising the underlying Shares or Stock after conversion (the "**Shares**"),

and in the case of Warrants, such resulting amount to be converted into the Settlement Currency at the Exchange Rate.

## **7. Additional Condition**

If so specified in the applicable Final Terms, the following provisions shall apply:

The Issuer may modify or amend these Terms and Conditions of the Securities or the applicable Final Terms without the consent of the Holders in any manner which the Issuer may deem necessary or desirable for the purpose of obtaining listing of the Securities on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market as promptly as practicable provided that any such modification or amendment is not materially prejudicial to the Holders.

## **8. Early Exercise Event**

The following provisions apply to Warrants only.

If so specified in the applicable Final Terms, the following provisions shall apply:

If an Early Exercise Event (as defined in the applicable Final Terms) occurs, the Issuer shall have the right to accelerate the Exercise Date or Expiration Date, as applicable, of all or some only of the outstanding Warrants by giving notice of its election and of the number of Warrants to be early exercised (the "**Early Cancelled Warrants**") to the holders of Warrants in accordance with General Condition 10. In the event that the Issuer decides to exercise its right to accelerate the Exercise Date or Expiration Date, as applicable, of some only of the outstanding Warrants, the Issuer may, subject to the standard procedures of Euroclear and/or Clearstream, Luxembourg, arrange for the Early Cancelled Warrants to be selected individually by lot to determine which interests in the Clearing System Global Warrant are to be subject to the exercise of such right.

For the avoidance of doubt, in such case, the Issuer will, in respect of each and every Warrant, cause to be paid to the holder of each such Warrant the Cash Settlement Amount specified in the Final Terms.

## **9. Securities linked to underlying shares that are yet to be listed**

If so specified in the applicable Final Terms, the following provisions shall apply:

- (a) (i) in the case of Warrants, an Exercise Notice shall be deemed to have been delivered by the Holders or the Issuer may, by notice to the Holders in accordance with General Condition 10, cancel all but not some only of the Warrants if, upon the expiration of three months after the Expected Listing Date (as specified in the Final Terms), the Shares do not become listed at the Scheduled Closing Time on the Exchange as specified in the Final Terms, on or before such date, all as determined by the Calculation Agent in its sole and absolute discretion and in a commercially reasonable manner. The Issuer will, in respect of each and every Warrant, cause to be paid to the holder of each such Warrant the Cash Settlement Amount specified in the applicable Final Terms. For the purposes of calculating the Cash Settlement Amount pursuant to this paragraph, the Settlement Price shall be equal to the Issue Price per Warrant (net of any Costs); or

- (ii) in the case of Certificates, the Issuer may, by notice to the Holders in accordance with General Condition 10, redeem all but not some only of the Certificates if, upon the expiration of three months after the Expected Listing Date (as specified in the Final Terms), the Shares do not become listed at the Scheduled Closing Time on the Exchange as specified in the Final Terms, on or before such date, all as determined by the Calculation Agent in its sole and absolute discretion and in a commercially reasonable manner. The Issuer will, in respect of each and every Certificate, cause to be paid to the holder of each such Certificate the Cash Settlement Amount specified in the applicable Final Terms.

All determinations made by the Issuer and/or Calculation Agent pursuant to the foregoing paragraph shall be conclusive and binding on the Holders and the Issuer. No Holder will be entitled to any compensation from the Issuer for any loss suffered as a result of the Shares not becoming listed on the Exchange at the Scheduled Closing Time on or before the expiration of three months after the Expected Listing Date.



## ANNEX 10

### ADDITIONAL TERMS AND CONDITIONS FOR FUTURES SECURITIES

The terms and conditions applicable to Futures Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Futures Security 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 Futures Security Conditions, the Futures Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Futures Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

**"Basket of Futures"** means a basket composed of each Future specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

**"Clearance System"** means the principal domestic clearance system customarily used for settling trades in the relevant Future(s);

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant security would have been) open for the acceptance and execution of settlement instructions;

**"Current Future"** means (a) if the Securities are not Rolling Futures Contract Securities, the Future and (b) if the Securities are Rolling Futures Contract Securities, the futures contract determined pursuant to Futures Security Condition 5 (Rolling Futures Contract Securities) below;

**"Disrupted Day"** means any Scheduled Trading Day on which a relevant Futures Exchange fails to open for trading during its regular trading session(s) or on which a Market Disruption Event has occurred;

**"Early Closure"** means the closure on any Exchange Business Day of any relevant Futures Exchange(s) prior to its Scheduled Closing Time unless such earlier closing time is announced by such Futures Exchange(s), at least one hour prior to the earlier of (a) the actual closing time for the regular trading session on such Futures Exchange(s) on such Exchange Business Day and (b) the submission deadline for orders to be entered into the Futures Exchange system for execution at the Valuation Time on such Exchange Business Day;

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

**"Exchange Business Day (All Futures Basis)"** means in respect of a Basket of Futures, any Scheduled Trading Day on which each Futures Exchange, in respect of each Future, is open for trading during its respective regular trading session(s) notwithstanding any such Futures Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Future Basis)"** means, in respect of a Future, any Scheduled Trading Day on which the relevant Futures Exchange in respect of such Future is open for trading during its regular trading session(s), notwithstanding such relevant Futures Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Future Basis)"** means any Scheduled Trading Day on which the relevant Futures Exchange is open for trading during its respective regular trading session(s), notwithstanding any such relevant Futures 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 to effect transactions in, or obtain market values for, the relevant Futures on the relevant Futures Exchange;

**"Future"** or **"Futures"** means, subject to adjustments in accordance with this Annex 10, in the case of an issue of Securities relating to a single Future, the futures contract and, in the case of an issue of Securities relating to a Basket of Futures, each futures contract, specified in the applicable Final Terms, and related expressions shall be construed accordingly, in each case, identified by reference to (a) the underlying asset(s) or basis (or bases) of reference to which it relates, (b) the contract size, (c) (i) if the Securities are not Rolling Futures Contract Securities, the delivery or expiry date of such contract or (ii) if the Securities are Rolling Futures Contract Securities, the specified period of each such contract and the Futures Rollover Date and (d) the Futures Exchange on which such contract is traded;

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

**"Futures Exchange"** means, in relation to a Future, the relevant exchange or quotation system specified in the description of the Future in the applicable Final Terms;

**"Futures Rollover Date"** means either:

- (a) the date specified as such in the applicable Final Terms; or
- (b) the date selected by the Calculation Agent in its sole and absolute discretion within the period ("**Futures Rollover Period**") specified in the applicable Final Terms;

**"Non-Availability of a Future Price"** means that on any Scheduled Trading Day that is not a Disrupted Day there is no Official Settlement Price of the relevant Future (other than where a Non-Commencement or Discontinuance of a Future has occurred);

**"Non-Commencement or Discontinuance of a Future"** means there is no Official Settlement Price as a result of the fact that trading in the Future never commences or is permanently discontinued at any time on or prior to any Valuation Date, Observation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Future;

**"Official Settlement Price"** means the daily or final, as applicable, settlement price (howsoever described under the rules of the relevant Futures Exchange or its clearing house) of the relevant Future published by the relevant Futures Exchange or its clearing house and as determined by the Calculation Agent;

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

**"Scheduled Trading Day (All Futures Basis)"** means, in respect of all Futures comprising the Basket of Futures, any day on which the Official Settlement Price in respect of each Future, is scheduled to be published by the relevant Futures Exchange;

**"Scheduled Trading Day (Per Future Basis)"** means, in respect of a Future, any day on which the Official Settlement Price for such Future is scheduled to be published by the relevant Futures Exchange;

**"Scheduled Trading Day (Single Future Basis)"** means any day on which the Official Settlement Price for the relevant Future is scheduled to be published by the relevant Futures Exchange;

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

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 10 and as referred to in "Averaging Date", "Observation Date", "Strike Date" or "Valuation Date" in the General Conditions, as the case may be:

- (a) in the case of Futures Securities relating to a Basket of Futures and in respect of each Future comprising the Basket of Futures, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Future Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Future as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date and, in either case, multiplied by the relevant Weighting; and
- (b) in the case of Futures Securities relating to a single Future, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Future Currency (in the case of Certificates)) equal to the Official Settlement Price of the relevant Current Future as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the Valuation Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

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

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Futures Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Futures Exchange or otherwise relating to the Futures on the Futures Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means, in respect of a Future the occurrence or existence of (a) a Trading Disruption, (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (c) an Early Closure.

The Calculation Agent will give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date, a Valuation Date or the Strike Date, as the case may be.

### 3. Adjustments to a Future

In the event that the terms of a Future are changed or modified by the relevant Futures Exchange, the Calculation Agent will make the appropriate adjustment, if any, to any of the General Conditions and/or the Futures Security Conditions and/or the applicable Final Terms to account for such change or modification.

### 4. Non-Availability of a Future Price and Non-Commencement or Discontinuance of a Future

4.1 Where there is a Non-Availability of a Future Price on any relevant date that is not the delivery or expiry date of the relevant Future, the Official Settlement Price will be calculated by the Calculation Agent for such day using its good faith estimate of the daily or final, as applicable, settlement price of such Future.

4.2 Where there is (i) a Non-Availability of a Future Price on any relevant date that is the delivery or expiry date of the relevant Future or (ii) a Non-Commencement or Discontinuance of a Future:

- (a) if in the determination of the Calculation Agent, the relevant Futures Exchange has substituted the Future for another futures contract (the "**Replacement Future**") (a "**Future Substitution**"), the Calculation Agent will substitute the Future for the Replacement Future and the Replacement Future will be deemed to be the Future for the purposes of the Securities and the Calculation Agent will make such adjustments, if any, to any of the terms of these Terms and Conditions and/or the applicable Final Terms, as it in its sole and absolute discretion determines appropriate, and following such substitution and adjustment will make the relevant calculations and determinations in respect of the Securities; or
- (b) in the case of Warrants, if the relevant Futures Exchange does not make a Future Substitution, the Issuer may on giving notice to Holders in accordance with General Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, by payment of an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10; or
- (c) in the case of Certificates and if the relevant Futures Exchange does not make a Future Substitution;
  - (i) unless Delayed Redemption on Occurrence of a Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with General Condition 10 redeem all but not some only of the Certificates at the amount equal to the fair market value of a Certificate or a Unit, as the case may be, taking into account the Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future is specified as being applicable in the

applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Adjusted Amount**") as soon as practicable following the occurrence of the Non-Availability of a Future Price or Non-Commencement or Discontinuance of the Future, as the case may be, (the "**Calculated Adjusted Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Adjusted Amount plus interest accrued from and including the Calculated Adjusted Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Notional Amount.

## 5. Rolling Futures Contract Securities

If the applicable Final Terms specify that the Securities are "Rolling Futures Contract Securities", the Securities will be valued by reference to futures contracts relating to the underlying asset(s) or basis (or bases) of reference specified in the applicable Final Terms that have delivery or expiry months that do not correspond with the term of the Securities. In such case, on or prior to the Issue Date, the Calculation Agent will select a Future and for each following day until the Futures Rollover Date such futures contract will be the Current Future. On each Futures Rollover Date the Calculation Agent will select another Future and such contract shall be the Current Future until the next occurring Futures Rollover Date. Notwithstanding the provisions of Futures Security Condition 3 (Adjustments to a Future) or Futures Security Condition 4 (Non-Availability of a Future Price and Non-Commencement or Discontinuance of a Future), if on a Futures Rollover Date a Non-Availability of a Future Price or a Non-Commencement or Discontinuance of a Future occurs and it is impossible or materially impracticable for the Calculation Agent to select a Future and/or hedge the Issuer's obligations in respect of the Securities at such time, then:

- (a) in the case of Warrants, the Issuer may cancel the Warrants by giving notice to Holders in accordance with General Condition 10. If the Warrants are so cancelled, the Issuer will pay an amount to each Holder in respect of each Warrant, or if Units are specified in the applicable Final Terms, each Unit being cancelled at an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Availability of a Future Price or the Non-Commencement or Discontinuance of a Future, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
- (b) in the case of Certificates:
  - (i) unless Delayed Redemption on Occurrence of Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future is specified as being applicable in the applicable Final Terms, the Issuer may redeem the Certificates by giving notice to Holders in accordance with General Condition 10. If the Certificates are so redeemed the Issuer will pay an amount to each Holder in respect of each Certificate being redeemed at an amount equal to the fair market value of a Certificate taking into account the Non-Availability of a Future Price or the Non-Commencement or Discontinuance of a Future, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation

Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or

- (ii) if Delayed Redemption on Occurrence of Non-Availability of a Future Price or Non-Commencement or Discontinuance of a Future is specified as being applicable in the applicable Final Terms, the Calculation Agent shall calculate the fair market value of each Certificate taking into account the Non-Availability of a Future Price or the Non-Commencement or Discontinuance of a Future less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Contract Adjustment Amount**") as soon as practicable following the occurrence of the Non-Commencement or Discontinuance of a Future (the "**Calculated Contract Adjustment Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Contract Adjustment Amount plus interest accrued from and including the Calculated Contract Adjustment Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as being applicable in the applicable Final Terms and if greater, the Notional Amount.

## **6. Correction of the Official Settlement Price**

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

## **7. Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to Futures Security Conditions 3, 4, 5 or 6 and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders copies of any such determinations. The Calculation Agent shall as soon as practicable following notification to the relevant Security Agent of the actions taken or determinations made by it pursuant to Futures Security Conditions 3 or 4.2(a) give notice to the Holders of the same in accordance with General Condition 10.

## ANNEX 11

### ADDITIONAL TERMS AND CONDITIONS FOR CREDIT SECURITIES

The terms and conditions applicable to Credit Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Credit Security 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 Security Conditions, the Credit Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the Credit Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### Part A

The provisions of this Part A apply in relation to Credit Securities unless the Final Terms of such Credit Securities specify that Part B of this Annex 11 shall apply.

#### 1. General

##### (a) Credit Terms

The Final Terms shall specify:

- (a) the type of Credit Certificates or Credit Warrants, being Single Reference Entity Credit Certificates, Single Reference Entity Credit Warrants, Nth-to-Default Credit Certificates, Nth-to-Default Credit Warrants, Linear Basket Credit Certificates, Linear Basket Credit Warrants or such other type as may be specified in the Final Terms;
- (b) the Settlement Method (if not Auction Settlement) and, where Auction Settlement applies, the applicable Fallback Settlement Method;
- (c) the Reference Entity or Reference Entities in respect of which a Credit Event may occur;
- (d) the Reference Obligation(s) (if any) in respect of each Reference Entity;
- (e) the Trade Date and (in the case of Credit Certificates) the Redemption Date;
- (f) the Transaction Type applicable to each Reference Entity; and
- (g) the Reference Entity Notional Amount in respect of each Reference Entity.

##### (b) Physical Settlement Matrix

Where a Transaction Type is specified in the Final Terms in respect of any Reference Entity, then the provisions of these Terms shall apply with respect to such Reference Entity in accordance with the Physical Settlement Matrix as it applies to such Transaction Type, as though such Physical Settlement Matrix were set out in full in the Final Terms.

##### (c) Additional Provisions

If, in accordance with the specified Transaction Type or otherwise, any Additional Provisions are applicable, these Credit Security Conditions shall take effect subject to the provisions thereof.

##### (d) Linear Basket Credit Certificates or Linear Basket Credit Warrants

If the Credit Securities are Linear Basket Credit Certificates or Linear Basket Credit Warrants, then the provisions of these Credit Security Conditions relating to redemption or settlement of Credit Securities following satisfaction of Conditions to Settlement, extension of maturity of Credit Securities on delivery of an Extension Notice, cessation or suspension of accrual of interest or accrual and payment of interest following the Redemption Date shall apply separately with respect to each Reference Entity and a portion of each Credit Security corresponding to the Reference Entity Notional Amount divided by the number of Credit Securities then in issue. The remaining provisions of these Credit Security Conditions shall be construed accordingly.

## **2. Redemption**

### **(a) Redemption or Expiration absent Satisfaction of Conditions to Settlement**

The Issuer will redeem each Credit Certificate on the related Credit Security Settlement Date (as such date may be extended in accordance with the definition thereof) by payment of an amount equal to the Cash Settlement Amount of such Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof) (together with interest, if any, payable thereon) unless:

- (a) the Credit Certificates have been previously redeemed or purchased and cancelled in full (including pursuant to Credit Security Condition 2(b), 2(c) or (d); or
- (b) the Conditions to Settlement have been satisfied, in which event the Issuer shall redeem the Credit Certificates in accordance with Credit Security Condition 2(b).

Each Credit Warrant will become void on the related Credit Security Settlement Date (as such date may be extended in accordance with the definition thereof) unless:

- (a) the Credit Warrants have been previously settled or purchased and cancelled in full (including pursuant to Credit Security Condition 2(b), 2(c) or (d); or
- (b) the Conditions to Settlement have been satisfied, in which event the Credit Warrants shall be settled in accordance with Credit Security Condition 2(b).

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

Upon the satisfaction of the Conditions to Settlement in relation to any Reference Entity, then each Credit Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof) will be subject to redemption and each Credit Warrant (or, in the case of Linear Basket Credit Warrants, the relevant portion thereof) will be deemed to have been automatically exercised on the Event Determination Date and will be subject to settlement:

- (a) if the applicable Settlement Method is Auction Settlement, by payment of its *pro rata* share of the Auction Settlement Amount on the Auction Settlement Date, unless a Fallback Settlement Event occurs, in which event the Issuer shall perform its respective payment and/or delivery obligations in accordance with the applicable Fallback Settlement Method. If the Conditions to Settlement with respect to a new Credit Event are satisfied following the occurrence of a Fallback Settlement Event with respect to a first Credit Event and no Fallback Settlement Event occurs with respect to such new Credit Event, the Issuer shall, if it so elects on or prior to a related Valuation Date or Delivery Date, redeem or settle, as applicable, the Credit Securities in accordance with this Credit Security Condition 2(b)(a) by Auction Settlement;
- (b) if the applicable Settlement Method is Physical Settlement in accordance with Credit Security Condition 4; and



- (c) if the applicable Settlement Method is Cash Settlement, by payment of its *pro rata* share of the Credit Event Cash Settlement Amount on the Cash Settlement Date.

Where the Credit Securities are Nth-to-Default Credit Certificates or Nth-to-Default Credit Warrants, the Conditions to Settlement shall not be satisfied with respect to the Credit Securities until the Conditions to Settlement are satisfied with respect to the Nth Reference Entity. Where the Credit Securities are Nth-to-Default Credit Certificates or Nth-to-Default Credit Warrants and the Conditions to Settlement are satisfied with respect to more than one Reference Entity on the same day, the Calculation Agent shall determine in its sole discretion the order in which such Conditions to Settlement were satisfied.

(c) Redemption following a Merger Event

If this Credit Security Condition 2(c) is specified as applicable in the applicable Final Terms, in the event that in the determination of the Calculation Agent a Merger Event has occurred, the Issuer may give notice to the Holders in accordance with General Condition 10 and (in the case of Credit Certificates) redeem all but not some only of the Credit Certificates at the Early Redemption Amount on the Merger Event Redemption Date and (in the case of Credit Warrants) cancel all of the Credit Warrants on the Merger Event Redemption Date, and if the Credit Warrants are so cancelled, the Issuer shall pay an amount to each Holder in respect of each Credit Warrant, which amount shall be the fair market value of a Credit Warrant taking into account the Merger Event less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (including without limitation any Unwind Costs), all as determined by the Calculation Agent in its sole and absolute discretion.

(d) Additional Credit Linked Security Disruption Events

If the Calculation Agent determines that an Additional Credit Linked Security Disruption Event has occurred, the Issuer may redeem (or settle, as applicable) the Credit Securities by giving notice to Holders in accordance with General Condition 10. If the Credit Securities are so redeemed (or settled, as applicable), the Issuer will pay an amount to each Holder in respect of each Credit Security equal to the fair market value of such Credit Security taking into account the Additional Credit Linked Security Disruption Event, less the cost to the Issuer and/or its affiliates of unwinding any underlying related hedging arrangements all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10.

(e) Suspension of Obligations

If a Credit Event Resolution Request Date occurs or if a notice is delivered to ISDA as contemplated in the definition of "Credit Event Resolution Request Date" in relation to any Reference Entity, then (unless the Issuer otherwise elects by notice to the Calculation Agent and the Holders) from the date delivery of such notice is effective (and notwithstanding that the relevant Credit Derivatives Determination Committee has yet to determine whether Publicly Available Information is available or that a Credit Event has occurred), any obligation of the Issuer to redeem or settle any Credit Security (including pursuant to Credit Security Condition 2(b)) or pay any amount of interest which would otherwise be due thereon shall, insofar as it relates to the relevant Reference Entity, be and remain suspended until such time as ISDA subsequently publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved with respect to such Reference Entity:

- (a) the matters described in paragraphs (a) and (b) of the definition of "Credit Event Resolution Request Date"; or
- (b) not to determine such matters.

During such suspension period, the Issuer shall not be obliged to, nor entitled to, take any action in connection with the settlement of the Credit Securities, in each case insofar as they relate to the relevant Reference Entity. Once ISDA has publicly announced that the relevant Credit Derivatives Determinations Committee has Resolved the matters set out in paragraphs (a) and (b) above, such suspension shall terminate and any obligations so suspended shall resume on the basis of such Resolution on the Credit Security Business Day following such public announcement by ISDA, with the Issuer having the benefit of the full day notwithstanding when the suspension began. Any amount of interest so suspended shall, subject always to Credit Security Condition 2(a), become due on the date determined by the Calculation Agent, in its sole discretion but not later than fifteen Business Days following such public announcement by ISDA.

For the avoidance of doubt, no interest shall accrue on any payment of interest or other amounts which are deferred in accordance with this Credit Security Condition 2(e).

(f) **Miscellaneous provisions relating to Redemption or Settlement**

If the Credit Securities are partially redeemed or settled, the relevant Credit Securities or, if the Credit Securities are represented by a Global Certificate or Global Warrant, such Global Certificate or Global Warrant, shall be endorsed to reflect such partial redemption or settlement. Upon such partial redemption or settlement, the outstanding notional amount of each Credit Security shall be reduced for all purposes (including accrual of interest thereon) accordingly.

Redemption or settlement of any Credit Security in accordance with this Credit Security Condition 2, together with payment of interest, if any, due thereon shall discharge all or the relevant portion of the obligations of the Issuer in relation thereto.

Any amount payable under Credit Security Condition 2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

**3. Interest (Credit Certificates only)**

(a) **Cessation of Interest Accrual**

Upon the occurrence of an Event Determination Date in respect of any Reference Entity, interest on such Credit Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof) shall cease to accrue with effect from and including either:

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

(b) **Interest following Scheduled Maturity**

Subject always to Credit Security Condition 2(a), if an Extension Notice has been given (other than pursuant to paragraph (d) of the definition of "Extension Notice"), each Credit Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof) which is outstanding following the Redemption Date shall continue to bear interest from (and including) the Redemption Date to (but excluding) the related Credit Security Settlement Date at a rate of interest equal to either:

- (a) the rate that BNP Paribas would pay to an independent customer in respect of overnight deposits in the currency of the Credit Certificates; or

- (b) such other rate as shall be specified for such purpose in the Final Terms.

For the avoidance of doubt, if an Extension Notice has been given pursuant to paragraph (d) of the definition thereof, no interest shall accrue from (and including) the Redemption Date to (but excluding) the related Credit Security Settlement Date.

(c) Interest Payment Dates

If the Credit Certificates are redeemed pursuant to the General Conditions or these Credit Security Conditions, the Redemption Date, the Credit Security Settlement Date (if not the Redemption Date), the Auction Settlement Date, the Cash Settlement Date or the last Delivery Date, as the case may be, shall be an Interest Payment Date in respect of each Credit Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof) and the Issuer shall pay any interest that has accrued in respect of each Credit Certificate (or, as applicable, the relevant portion thereof) on such Interest Payment Date.

**4. Physical Settlement (Credit Certificates only)**

(a) Delivery and payment

If Physical Settlement applies to any Credit Certificate, then, upon the satisfaction of the related Conditions to Settlement, the Issuer shall, on or prior to the related Physical Settlement Date and subject to Credit Security Conditions 4(b), 4(c) and 4(f), redeem such Credit Certificate (or, in the case of Linear Basket Credit Certificates, the relevant portion thereof), respectively, by:

- (a) Delivering a *pro rata* share of the Deliverable Obligations specified in the related Notice of Physical Settlement; and
- (b) paying such Certificate's *pro rata* portion of the related Physical Settlement Adjustment Rounding Amount.

(b) Partial Cash Settlement Due to Impossibility or Illegality

If, due to an event beyond the control of the Issuer, it is impossible or illegal for the Issuer to Deliver or, due to an event beyond the control of the Issuer or any Holder, it is impossible or illegal for the Issuer or the relevant Holder to accept Delivery of any of the Deliverable Obligations specified in a Notice of Physical Settlement on the related Physical Settlement Date, then on such date the Issuer shall Deliver any of the Deliverable Obligations specified in the Notice of Physical Settlement for which it is possible and legal to take Delivery. If any Undeliverable Obligations have not been delivered on or prior to the Latest Permissible Physical Settlement Date, then Partial Cash Settlement shall apply with respect to such Undeliverable Obligations and, accordingly, the Issuer shall pay the relevant Holders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the relevant Holders on the Partial Cash Settlement Date.

(c) Non-Delivery of Deliverable Obligations

If the Issuer does not Deliver any Deliverable Obligation specified in a Notice of Physical Settlement other than as a result of an event or circumstance contemplated in Credit Security Condition 4(b) above (including following the occurrence of a Hedge Disruption Event), such failure shall not constitute an Event of Default for the purpose of the Certificates and the Issuer may continue to attempt to Deliver the Deliverable Obligations that are Bonds or Loans until the Extended Physical Settlement Date.

If, as at the relevant Extended Physical Settlement Date, any such Deliverable Obligations have not been Delivered, then Partial Cash Settlement shall apply with respect to such Deliverable Obligations and the

Issuer shall pay to the Holders an amount equal to the Partial Cash Settlement Amount to be apportioned *pro rata* amongst the Holders on the Partial Cash Settlement Date.

(d) Aggregation and Rounding

Where a Holder holds Credit Certificates in an aggregate notional amount greater than the Specified Denomination, the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of the Credit Certificates shall be aggregated for the purposes of this Credit Security Condition 4. If the Outstanding Principal Balance of the Deliverable Obligations to be Delivered in respect of each Credit Certificate to be redeemed pursuant to this Credit Security Condition 4(d) on any occasion is not equal to an authorised denomination (or integral multiple thereof) of such Deliverable Obligations then the Outstanding Principal Balance of Deliverable Obligations to be Delivered will be rounded down to the nearest authorised denomination or multiple thereof, or, if none, to zero. In such circumstances, the Deliverable Obligations that were not capable of being Delivered shall, if and to the extent practicable, be sold by the Issuer or such other agent as may be appointed by the Issuer for such purpose and, if they are so sold, the Issuer shall make payment in respect of each Credit Certificate in an amount equal to its *pro rata* share of the related net sale proceeds as soon as reasonably practicable following receipt thereof.

(e) Delivery and Fees

The Delivery of any of the Deliverable Obligations pursuant to the provisions of this Credit Security Condition 4 shall be made in such commercially reasonable manner as the Issuer shall, in its sole discretion, determine to be appropriate for such Delivery. Subject as set out in the definition of "Deliver":

- (a) any recordation, processing or similar fee reasonably incurred by the Issuer and/or any of its affiliates and payable to the agent under a Loan in connection with an assignment (where Deliverable Obligations include Assignable Loans or Consent Required Loans) shall be payable by the relevant Holders, and if any Stamp Tax is payable in connection with the Delivery of any Deliverable Obligations, payment thereof shall be made by the relevant Holders; and
- (b) any other expenses arising from the Delivery and/or transfer of the Deliverable Obligations shall be for the account of the Holders or the Issuer, as appropriate, determined in accordance with then current market conventions.

Delivery and/or transfer of the Deliverable Obligations shall be delayed until all expenses relating to such Delivery or transfer payable by the Holders have been paid to the satisfaction of the Issuer.

(f) Asset Transfer Notice

A Holder will not be entitled to any of the amounts or assets specified as being due to it in this Credit Security Condition 4(f) upon the satisfaction of the Conditions to Settlement unless it has presented or surrendered (as is appropriate) the relevant Credit Certificate and delivered an Asset Transfer Notice in accordance with General Condition 35.2(a). For so long as the Credit Certificates are held in any clearing system, any communication from such clearing system on behalf of the Holder containing the information required in an Asset Transfer Notice will be treated as an Asset Transfer Notice. For as long as Bearer Certificates are represented by a Global Certificate, surrender of Credit Certificates for such purpose will be effected by presentation of the Global Certificate and its endorsement to note the notional amount of Credit Certificates to which the relevant Asset Transfer Notice relates.

(g) Credit Warrants

Physical Settlement shall not apply in relation to any Credit Warrants.

**5. Provisions relating to Obligation Category and Characteristics and Deliverable Obligation Category and Characteristics**

(a) Obligation Characteristics

If the Obligation Characteristic "Listed" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though Listed had been specified as an Obligation Characteristic only with respect to Bonds and shall only be relevant if Bonds are covered by the selected Obligation Category.

(b) Deliverable Obligation Category and Characteristics

If:

- (i) either of the Deliverable Obligation Characteristics "Listed" or "Not Bearer" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to 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 or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Deliverable Obligations that are not Loans (and shall only be relevant to the extent that obligations other than Loans are covered by the selected Deliverable Obligation Category);
- (iii) any of the Deliverable Obligation Characteristics "Assignable Loan", "Consent Required Loan" or "Direct Loan Participation" is specified in the applicable Final Terms or is applicable in respect of the applicable Transaction Type, the Final Terms shall be construed as though such Deliverable Obligation Characteristic had been specified as a Deliverable Obligation Characteristic only with respect to Loans and shall only be relevant if Loans are covered by the selected Deliverable Obligation Category; and
- (iv) 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 in the applicable Final Terms as Deliverable Obligation Characteristics or is applicable in respect of the applicable Transaction Type, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics.

(c) Qualifying Guarantee

If 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 be described by the same category or categories as those that describe the Underlying Obligation.
- (ii) For purposes of the application of the Obligation Characteristics or the Deliverable Obligation Characteristics, both the 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 or applicable in respect of the

relevant Transaction Type 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 Qualifying Guarantee must satisfy on the relevant date the Obligation Characteristic or the Deliverable Obligation Characteristic of Not Subordinated, if specified in the applicable Final Terms or if applicable in respect of the relevant Transaction Type.
- (iv) 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 or applicable in respect of the relevant Transaction Type 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.
- (v) 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.
- (vi) The terms "Outstanding Principal Balance" and "Due and Payable Amount" (as they are used in the Terms and Conditions, including without limitation, the definitions of "Credit Event 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.
- (vii) For the avoidance of doubt the provisions of this Credit Security Condition 5 apply in respect of the definitions of "Obligation" and "Deliverable Obligation" as the context admits.

## **6. Succession Event**

### **(a) Single Reference Entity**

Where the Credit Securities are Single Reference Entity Credit Certificates or Single Reference Entity Credit Warrants and a Succession Event has occurred and more than one Successor has been identified, each such Credit Security will be deemed for all purposes to have been divided into the same number of new Credit Securities as there are Successors with the following terms:

- (i) each Successor will be a Reference Entity for the purposes of one of the deemed new Credit Securities;
- (ii) in respect of each deemed new Credit Security, the Reference Entity Notional Amount will be the Reference Entity Notional Amount applicable to the original Reference Entity divided by the number of Successors; and
- (iii) all other terms and conditions of the original Credit Securities will be replicated in each deemed new Credit Security except to the extent that modification is required, as determined by the

Calculation Agent in its sole discretion, to preserve the economic effects of the original Credit Securities in the deemed new Credit Securities (considered in the aggregate).

(b) Nth-to-Default

Where the Credit Securities are Nth-to-Default Credit Certificates or Nth-to-Default Credit Warrants:

- (i) where a Succession Event has occurred in respect of a Reference Entity (other than a Reference Entity in respect of which a Credit Event has occurred) and more than one Successor has been identified, each such Credit Security will be deemed for all purposes to have been divided into a number of new Credit Securities equal to the number of Successors. Each such new Credit Security shall include a Successor and each and every one of the Reference Entities unaffected by such Succession Event and the provisions of Credit Security Condition 6(a)(i) to (iii) (inclusive) shall apply thereto;
- (ii) if "Substitution" is specified as not being applicable in the Final Terms, where any Reference Entity (the "**Surviving Reference Entity**") (other than a Reference Entity that is subject to the Succession Event) would be a Successor to any other Reference Entity (the "**Legacy Reference Entity**") pursuant to a Succession Event, such Surviving Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity; and
- (iii) if "Substitution" is specified as being applicable in the Final Terms, where the Surviving Reference Entity (other than a Reference Entity that is subject to the Succession Event) would be a Successor to a Legacy Reference Entity pursuant to a Succession Event:
  - (A) such Surviving Reference Entity shall be deemed not to be a Successor to the Legacy Reference Entity; and
  - (B) the Replacement Reference Entity shall be deemed to be a Successor to the Legacy Reference Entity.

(c) Linear Basket

Where the Credit Securities are Linear Basket Credit Certificates or Linear Basket Credit Warrants, and one or more Successors have been identified in respect of a Reference Entity that has been the subject of a related Succession Event (the "**Affected Entity**"):

- (i) the Affected Entity will no longer be a Reference Entity (unless it is a Successor as described in sub-paragraph (ii) below);
- (ii) each Successor will be deemed a Reference Entity (in addition to each Reference Entity which is not an Affected Entity);
- (iii) the Reference Entity Notional Amount for each such Successor will equal the Reference Entity Notional Amount of the Affected Entity divided by the number of Successors;
- (iv) the Calculation Agent may, at its discretion, make any modifications to the terms of the Credit Securities which may be required to preserve the economic effects of the Credit Securities prior to the Succession Event (considered in the aggregate); and
- (v) for the avoidance of doubt, a Reference Entity may, as a result of a Succession Event, be represented in the Reference Portfolio with respect to multiple Reference Entity Notional Amounts.

(d) Substitute Reference Obligations

Where:

- (i) a Reference Obligation is specified in the applicable Final Terms;
- (ii) one or more Successors to the Reference Entity have been identified; and
- (iii) any one or more such Successors have not assumed the Reference Obligation,

a Substitute Reference Obligation will be determined in accordance with the definition of "Substitute Reference Obligation".

**7. Provisions relating to LPN Reference Entities**

The following provisions shall apply if the relevant Final Terms provide that "LPN Reference Entity" is applicable:

- (a) Multiple Holder Obligation will not be applicable with respect to any Reference Obligation and any Underlying Loan;
- (b) each Reference Obligation will be an Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (c) each Reference Obligation will be a Deliverable Obligation notwithstanding anything to the contrary in these Credit Security Conditions, and in particular, that the obligation is not an obligation of the Reference Entity;
- (d) for the avoidance of doubt, with respect to any LPN Reference Obligation that specifies an Underlying Loan or an Underlying Financial Instrument, the outstanding principal balance shall be determined by reference to the Underlying Loan or Underlying Finance Instrument (as applicable) relating to such LPN Reference Obligation; and
- (e) the "Not Subordinated" Obligation Characteristic and Deliverable Obligation Characteristic shall be construed as if no Reference Obligation was specified in respect of the Reference Entity.

**8. Restructuring Credit Event**

(a) Multiple Credit Event Notices (Credit Certificates only)

Upon the occurrence of a Restructuring Credit Event with respect to a Reference Entity for which Restructuring is an applicable Credit Event and either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the relevant Transaction Type:

- (i) the Calculation Agent may deliver multiple Credit Event Notices with respect to such Restructuring Credit Event, each such notice setting forth the amount of the relevant Reference Entity Notional Amount to which such Restructuring Credit Event applies (the "**Exercise Amount**") provided that if the Credit Event Notice does not specify an Exercise Amount, the then outstanding Reference Entity Notional Amount (and not a portion thereof) will be deemed to have been specified as the Exercise Amount;



- (ii) the provisions of these Credit Security Conditions shall be deemed to apply to an aggregate outstanding notional amount equal to the Exercise Amount only and all the provisions shall be construed accordingly;
- (iii) the Exercise Amount in connection with a Credit Event Notice describing a Credit Event other than a Restructuring must be equal to the relevant Reference Entity Notional Amount (and not a portion thereof); and
- (iv) the Exercise Amount in connection with a Credit Event Notice describing a Restructuring must be an amount that is at least 1,000,000 units of the Specified Currency (or, if Japanese Yen, 100,000,000 units) in which the Reference Entity Notional Amount is denominated or any integral multiple thereof or the entire relevant Reference Entity Notional Amount.

In the case of an Nth-to-Default Credit Certificate, once the Conditions to Settlement have been satisfied in respect of the Nth Reference Entity where the Credit Event is a Restructuring Credit Event, no further Credit Event Notices may be delivered in respect of any other Reference Entity (save to the extent that the Credit Certificates are deemed to have been divided into new Credit Certificates pursuant to Credit Security Condition 6).

If any Credit Certificate is subject to partial settlement in accordance with this Credit Security Condition 8, the relevant Credit Certificate or, if the Credit Certificates are represented by a Global Certificate, such Global Certificate shall be endorsed to reflect such partial settlement.

For the avoidance of doubt, this Credit Security Condition 8 shall not be applicable in respect of a Reference Entity for which Restructuring is 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 Final Terms or is applicable in respect of the relevant Transaction Type.

This Credit Security Condition 8(a) shall not apply in relation to any Credit Warrants.

(b) Restructuring Maturity Limitation and Fully Transferable Obligation

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the Transaction Type, and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation or, as applicable, Valuation Obligation, may be specified in a Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio only if it:

- (i) is a Fully Transferable Obligation; and
- (ii) has a final maturity date not later than the Restructuring Maturity Limitation Date.

(c) Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable

In respect of any Reference Entity for which Restructuring is an applicable Credit Event, if "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, and Restructuring is the only Credit Event specified in a Credit Event Notice, then a Deliverable Obligation or, as applicable, Valuation Obligation, may be specified in the Notice of Physical Settlement, any NOPS Amendment Notice or, as applicable, selected by the Issuer to form part of the related Valuation Obligations Portfolio, only if it:

- (i) is a Conditionally Transferable Obligation; and
- (ii) has a final maturity date not later than the applicable Modified Restructuring Maturity Limitation Date.

In the event that the requisite consent in relation to a Deliverable Obligation which is a Conditionally Transferable Obligation is refused (whether or not a reason is given for such refusal and, where a reason is given for such refusal, regardless of that reason) or is not received by the Physical Settlement Date, the Issuer shall, as soon as reasonably practicable, notify the relevant Holders of such refusal (or deemed refusal) and:

- (i) each such Holder may designate a third party (which may or may not be an Affiliate of such Holder) to take Delivery of the Deliverable Obligation on its behalf; and
- (ii) if a Holder does not designate a third party that takes Delivery on or prior to the date which is three Credit Security Business Days after the Physical Settlement Date, then the Issuer will redeem the Credit Securities which have not been Delivered by payment of the relevant Partial Cash Settlement Amount to such Holder. For the avoidance of doubt Credit Security Condition 4(b) will not apply to this paragraph.

(d) **Multiple Holder Obligations**

Notwithstanding anything to the contrary in the definition of "Restructuring" and related provisions, the occurrence of, agreement to, or announcement of, any of the events described in sub-paragraph (a)(i) to (a)(iii) (inclusive) thereof shall not be a Restructuring unless the Obligation in respect of any such events is a Multiple Holder Obligation, provided that any obligation that is a Bond shall be deemed to satisfy the requirements of paragraph (b) of the definition of "Multiple Holder Obligation".

## **9. Miscellaneous Provisions relating to Credit Securities**

(a) **Determinations of the Calculation Agent**

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Security Conditions shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable) and the Holders. In performing its duties pursuant to the Credit Securities, the Calculation Agent shall act in its sole and absolute discretion and, unless otherwise expressly stated, is not bound to follow or act in accordance with any determination of the relevant Credit Derivatives Determinations Committee. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Securities including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor (if applicable) shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

If, where the Calculation Agent has relied upon a DC Resolution for the purposes of making a calculation or determination with respect to the Credit Securities, ISDA publicly announces that such DC Resolution has been reversed by a subsequent DC Resolution, such reversal will be taken into account for the

purposes of any subsequent calculations excepting instances where any Credit Securities which would otherwise have been affected by such a reversal have already been redeemed or settled (where redeemed or settled in part, to the extent of any such redemption or settlement). The Calculation Agent, acting in a commercially reasonable manner, will make any adjustment to any future payments as are required to take account of such reversal, including any payment of additional interest or any reduction in any interest or any other amount payable under the Credit Securities. For the avoidance of doubt, no accruals of interest shall be taken into account when calculating any such adjustment payment.

(b) Change in Standard Terms and Market Conventions

The Calculation Agent, acting reasonably, may (but shall not be obligated to) modify these Credit Security Conditions from time to time with effect from a date designated by the Calculation Agent to the extent necessary to ensure consistency with prevailing market standards or market trading conventions, which are, pursuant to the agreement of leading dealers in the credit derivatives market or any relevant ISDA committee, a market-wide protocol, any applicable law or regulation or the rules of any applicable exchange or clearing system, applicable to any Notional Credit Derivative Transaction or Hedge Transaction entered into prior to such date or terms thereof. The Calculation Agent shall notify the Issuer and the Holders as soon as reasonably practicable upon making any such determination. For the avoidance of doubt, the Calculation Agent may not, without the consent of the Issuer and the Trustee, amend, pursuant to this Credit Security Condition 9(b) any of the terms and conditions of the Credit Securities other than the Credit Security Conditions.

In particular, the Calculation Agent may make such modifications as may be necessary to ensure consistency with any successor provisions which are published by ISDA and which supersede the 2003 ISDA Credit Derivatives Definitions ("Successor Provisions") for the purposes of credit derivatives transactions generally (including with respect to transactions which are entered into prior to the relevant date of publication and which are outstanding as of that date) and/or may apply and rely on determinations of the Credit Derivatives Determinations Committee made in respect of a relevant Reference Entity under any such Successor Provisions notwithstanding any discrepancy between the terms of such Successor Provisions and these Credit Security Conditions.

(c) Delivery of Notices

As soon as reasonably practicable after receiving a Credit Event Notice or Notice of Publicly Available Information from the Calculation Agent, the Issuer shall promptly inform, or shall procure that the Calculation Agent informs the Holders in accordance with General Condition 10. Resolutions of the Credit Derivatives Determinations Committee are, as of the date hereof, available on ISDA's website ([www.isda.org/credit](http://www.isda.org/credit)).

(d) Effectiveness of Notices

Any notice referred to in Credit Security Condition 9(c) above which is delivered on or prior to 5.00 p.m. (London time) on a London Business Day is effective on such date and if delivered after such time or on a day that is not a London Business Day, is deemed effective on the next following London Business Day.

(e) Excess Amounts

If, on a Business Day, the Calculation Agent reasonably determines that an Excess Amount has been paid to Holders on or prior to such day, then following notification of the determination of an Excess Amount to the Issuer and Holders in accordance with General Condition 10, the Issuer may deduct any such Excess Amount from future payments in relation to the Credit Securities (whether interest or

principal) or may reduce the amount of any assets deliverable under the terms of the Credit Securities to the extent that it determines, acting reasonably, to be necessary to compensate for such Excess Amount.

## 10. Definitions

In these Credit Security Conditions, unless otherwise specified in the applicable Final Terms:

**"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.

**"Accreted Amount"** means, with respect to an Accreting Obligation, an amount equal to:

- (a) the sum of:
  - (i) the original issue price of such obligation; and
  - (ii) the portion of the amount payable at maturity that has accreted in accordance with the terms of the obligation (or as otherwise described below); less
- (b) any cash payments made by the obligor thereunder that, under the terms of such obligation, reduce the amount payable at maturity (unless such cash payments have been accounted for in paragraph (a)(ii) above), in each case calculated as of the earlier of:
  - (A) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal; and
  - (B) the Delivery Date or applicable Valuation Date, as the case may be.

Such Accreted Amount shall include any accrued and unpaid periodic cash interest payments (as determined by the Calculation Agent) only if "Include Accrued Interest" is specified as being applicable in the relevant Final Terms. If an Accreting Obligation is expressed to accrete pursuant to a straight-line method or if such Obligation's yield to maturity is not specified in, nor implied from, the terms of such Obligation, then, for the purposes of paragraph (a)(ii) above, the Accreted Amount shall be calculated using a rate equal to the yield to maturity of such Obligation. Such yield shall be determined on a semi-annual bond equivalent basis using the original issue price of such obligation and the amount payable at the scheduled maturity of such obligation, and shall be determined as of the earlier of:

- (x) the date on which any event occurs that has the effect of fixing the amount of a claim in respect of principal; and
- (y) the Delivery Date or applicable Valuation Date, as the case may be. The Accreted Amount shall exclude, in the case of a Convertible Obligation or an Exchangeable Obligation, any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities into which such obligation is convertible or exchangeable.

**"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 Credit Event"** means an additional credit event as defined in the Final Terms.

**"Additional Credit Linked Security Disruption Event"** means any of Change in Law, Hedging Disruption, and/or Increased Cost of Hedging, in each case if specified as applying in the applicable Final Terms.

**"Additional LPN"** means any LPN issued by an LPN Issuer for the sole purpose of providing funds for the LPN Issuer to provide financing to the Reference Entity via an:

- (a) Underlying Loan; or
- (b) Underlying Finance Instrument:

provided that:

- (1) either:
  - (i) in the event that there is an Underlying Loan with respect to such LPN, the Underlying Loan satisfies the Obligation Characteristics specified in respect of the Reference Entity; or
  - (ii) in the event that there is an Underlying Finance Instrument with respect to such LPN the Underlying Finance Instrument satisfies the Not Subordinated, Not Domestic Law and Not Domestic Currency Obligation Characteristics;
- (2) the LPN satisfies the following Deliverable Obligation Characteristics: Transferable, Not Bearer, Specified Currencies – Standard Specified Currencies, Not Domestic Law, Not Domestic Issuance; and
- (3) the LPN Issuer has, as of the issue date of such obligation, granted a First Ranking Interest over or in respect of certain of its rights in relation to the relevant Underlying Loan or Underlying Finance Instrument (as applicable) for the benefit of holders of the LPNs.

**"Additional Obligation"** means each of the obligations listed as an Additional Obligation of the Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>.

**"Additional Provisions"** means any additional provisions from time to time published by ISDA for use in the over-the-counter credit derivatives market and specified as applicable in relation to a Reference Entity which may include:

- (a) the Additional Provisions for Physically Settled Default Swaps - Monoline Insurer as Reference Entity, as published by ISDA on 21 January 2005; or
- (b) any other provisions specified in relation to such Reference Entity.

**"Affected Entity"** has the meaning given to such term in Credit Security Condition 6(c) above.

**"Affiliate"** means, in relation to any person, any entity controlled, directly or indirectly, by the person, any entity that controls, directly or indirectly, the person or any entity directly or indirectly under common control with the person. For this purpose, "control" of any entity or person means ownership of a majority of the voting power of the entity or person.

**"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, and if specified as applicable to a Deliverable Obligation Category, the Assignable Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Loans.

**"Auction"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Cancellation Date"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Covered Transaction"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Final Price"** has the meaning set forth in the Transaction Auction Settlement Terms or the Parallel Auction Settlement Terms identified by the Issuer in the Auction Settlement Amount Notice.

**"Auction Final Price Determination Date"** has the meaning set forth in the Transaction Auction Settlement Terms.

**"Auction Settlement Amount"** means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

- (a) in respect of Credit Certificates:

$$\text{Auction Settlement Amount} = \text{Max } 0, [(A \times B) - C]$$

- (b) in respect of Credit Warrants:

$$\text{Auction Settlement Amount} = \text{Max } 0, [(A \times (100\% - B)) - C]$$

Where:

**"A"** means the Notional Amount;

**"B"** means the relevant Auction Final Price; and

**"C"** means the Unwind Costs (unless the applicable Final Terms specify that Unwind Costs are not applicable, in which event **"C"** means zero).

**"Auction Settlement Amount Notice"** means a notice given by the Issuer to the Calculation Agent and the Holders in accordance with General Condition 10 on or prior to the date which is 65 Business Days following the Final List Publication Date specifying:

- (a) the Transaction Auction Settlement Terms or Parallel Auction Settlement Terms which the Issuer has elected to apply to the Credit Securities (provided that the Issuer may only elect to apply any Parallel Auction Settlement Terms (which it may choose in its sole discretion) in the

circumstances set out in sub-paragraph (b) of the definition of "No Auction Announcement Date"); and

- (b) the Auction Settlement Amount.

**"Auction Settlement Date"** means the date that is three Business Days following delivery by the Issuer of the Auction Settlement Amount Notice to the Calculation Agent and the Holders in accordance with General Condition 10.

**"Bankruptcy"** means a Reference Entity:

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

**"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 or the Credit Derivatives Determinations Committee 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 paragraph (a) above, the best publicly available information at the disposal of the Calculation Agent or the Credit Derivatives Determinations Committee to allow it to make a determination for the purposes of the definition of "Successor",

provided that information which is made available more than fourteen calendar days after the legally effective date of the Succession Event shall not constitute "Best Available Information".

**"Bond"** means any obligation of a type included in the "Borrowed Money" Obligation Category that is in the form of, or represented by, a bond, note (other than notes delivered pursuant to Loans), certificated debt security or other debt security and shall not include any other type of Borrowed Money obligation.

**"Bond or Loan"** means any obligation that is either a Bond or a Loan.

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

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

**"Cash Settlement Date"** means the date that is the number of Business Days specified in the Final Terms (or, if a number of Business Days is not specified, three Business Days) immediately following the determination of the Weighted Average Final Price.

**"Change in Law"** means that, on or after the Trade Date (as specified in the applicable Final Terms) (A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law, solvency or capital requirements), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority or financial authority), or the combined effect thereof if occurring more than once, the Issuer determines in its sole and absolute discretion that:

- (a) it is unable to perform its obligations in respect of the Credit Securities or it has become illegal to hold, acquire or dispose of any relevant hedge positions in respect of the Credit Securities; or
- (b) it or any of its Affiliates would incur a materially increased cost (including, without limitation, in respect of any tax, solvency or capital requirements) in maintaining the Credit Securities in issue or in holding, acquiring or disposing of any relevant hedge positions of the Credit Securities.



**"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 of "Conditionally Transferable Obligation".

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 or the Guarantor (if applicable).

**"Conditions to Settlement"** means, in relation to any Reference Entity:

- (a) the occurrence of an Event Determination Date; and
- (b) where the applicable Settlement Method is Physical Settlement (or Physical Settlement is applicable as the Fallback Settlement Method), the delivery of the Notice of Physical Settlement on or following the occurrence of an Event Determination Date,

to the extent that, unless otherwise elected by the Issuer by written notice to the Calculation Agent and the Holders, such Event Determination Date is not subsequently reversed prior to the Auction Final Price Determination Date, a Valuation Date, a Delivery Date or the Credit Security Settlement Date, as 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, and, if specified as applicable to a Deliverable Obligation Category, the Consent Required Loan Deliverable Obligation Characteristic shall be applicable only in respect of obligations within the Deliverable Obligation Category that are Loans.

**"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, in relation to any Reference Entity, the Credit Derivatives Auction Settlement Terms published by ISDA, in accordance with the Rules, with respect to the relevant Reference Entity, a form of which will be published by ISDA on its website at [www.isda.org](http://www.isda.org) (or any successor website thereto) from time to time and as may be amended from time to time in accordance with the Rules.

**"Credit Certificates"** means Certificates linked to the credit of a specified entity or entities.

**"Credit Derivatives Definitions"** means the 2003 ISDA Credit Derivatives Definitions, as published by ISDA, as supplemented by the July 2009 Supplement and, in addition, if Additional Provisions are specified to be applicable with respect to the Credit Securities in the Final Terms, as supplemented by the Additional Provisions.

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

**"Credit Event"** means the occurrence of one or more of Bankruptcy, Failure to Pay, Obligation Acceleration, Obligation Default, Repudiation/Moratorium or Restructuring or Additional Credit Event as specified with respect to a Reference Entity.

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

- (a) any lack or alleged lack of authority or capacity of 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 restrictions imposed by any monetary or other authority, however described.

**"Credit Event Backstop Date"** means, in respect of:

- (a) Credit Certificates, the date that is 60 calendar days prior to the Trade Date; or
- (b) Credit Warrants, (i) for the purposes of any event that constitutes a Credit Event (or with respect to Repudiation/Moratorium, the event described in paragraph (b) of the definition thereof), the date that is 60 calendar days prior to the Credit Event Resolution Request Date; or (ii) otherwise, the date that is 60 calendar days prior to the earlier of (A) the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective during the Notice Delivery Period; 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 "Credit 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 Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, 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 Calculation Agent (which may be in writing (including by facsimile and/or email and/or by telephone) to the Issuer that describes a Credit Event that occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)).

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

**"Credit Event Resolution Request Date"** means, with respect to a 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 has occurred with respect to the relevant 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 sub-paragraphs (a) and (b) above.

**"Credit Event Cash Settlement Amount"** means, in relation to any Reference Entity and unless otherwise specified in the Final Terms, an amount in the Settlement Currency as determined by the Calculation Agent in accordance with the formula below:

- (a) in respect of Credit Certificates:

$$\text{Credit Event Cash Settlement Amount} = \text{Max } 0, [(A \times B) - C]$$

- (b) in respect of Credit Warrants:

$$\text{Credit Event Cash Settlement Amount} = \text{Max } 0, [(A \times (100\% - B)) - C]$$

Where:

**"A"** means the Notional Amount;

**"B"** means the Weighted Average Final Price, or if so specified in the applicable Final Terms, the Final Price or such other price specified therein; and

**"C"** means the Unwind Costs (unless the applicable Final Terms specify that Unwind Costs are not applicable, in which event **"C"** means zero),

provided that in no event shall the Credit Event Cash Settlement Amount be less than zero.

**"Credit Securities"** means Credit Certificates and/or Credit Warrants.

**"Credit Security Business Day"** means, in respect of any Reference Entity, a day on which commercial banking and foreign exchange markets are generally open to settle payments in the place or places specified for that purpose with respect to such Reference Entity, a T2 Settlement Day (if "T2 Settlement Day" is specified for that purpose, or, if a place or places are not so specified, a day on which commercial banks and foreign exchange markets are generally open to settlement payments in the jurisdiction of the currency of the related Reference Entity Notional Amount). Business Days referenced in the Physical Settlement Matrix shall be deemed to be Credit Security Business Days.

**"Credit Security Dealer"** means a dealer in obligations of the type of Obligation(s) (as the case may be) for which quotations are to be obtained (as selected by the Calculation Agent) and may include the Calculation Agent or its Affiliate and a Holder or its Affiliate or as may otherwise be specified in the Final Terms.

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

- (a) (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date; or
- (b) where the Issuer delivers an Extension Notice in relation to a Reference Entity to the Calculation Agent and the Holders at or prior to 11:00 a.m. (London time) on the date falling two London Business Days prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date, either:
  - (1) the date falling two Business Days after the expiry of the Notice Delivery Period (or, if later, after the latest date on which it would be possible for the Issuer to deliver a Credit Event Notice under paragraph (b)(4) of the definition of "Event Determination Date"); or
  - (2) if a Credit Event Resolution Request Date has occurred on or prior to the expiry of the Notice Delivery Period in relation to a Reference Entity and unless otherwise elected by the Issuer by written notice to the Calculation Agent and the Holders, the date falling 15 Business Days following any date on which the Credit Derivatives Determinations Committee Resolves that the relevant event does not constitute a Credit Event, or Resolves not to make such determination.

**"Credit Warrants"** means Warrants linked to the credit of a specified entity or entities.

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

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

Reference Entity Notional Amount into the currency of denomination of the relevant Replacement Deliverable Obligation.

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

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

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

**"DC 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 has occurred with respect to such Reference Entity (or an Obligation thereof); and
- (b) such event occurred on or after the Credit Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign, Tokyo time)) and on or prior to the Extension Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign, Tokyo time)).

A DC Credit Event Announcement will be deemed not to have occurred unless:

- (i) the Credit Event Resolution Request Date with respect to such Credit Event occurred on or prior to the end of (in the case of Credit Certificates) the last day of the Notice Delivery Period or (in the case of Credit Warrants) the 14th calendar day after the Extension Date (including prior to the Trade Date, if specified in the Final Terms and if not, including prior to the Issue Date); and
- (ii) the Trade Date occurs on or prior to (in the case of Credit Certificates) the Exercise Cut-off Date or (in the case of Credit Warrants) the Auction Final Price Determination Date, the Auction Cancellation Date or the date that is 21 calendar days following the No Auction Announcement Date, if any, as applicable.

**"DC 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 with respect to such Reference Entity (or an Obligation thereof).

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

**"Default Requirement"** means the amount as may be specified as such in the Final Terms or, if a Transaction Type is specified, the amount specified as such in the Physical Settlement Matrix or its equivalent in the relevant Obligation Currency or, if a Default Requirement is not so specified in the Final Terms, U.S.\$ 10,000,000, or its equivalent in the relevant Obligation Currency, in either case as of the occurrence of the relevant Credit Event.

**"Deliver"** means 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 the applicable Deliverable Obligations (which shall include executing all necessary documentation and taking any other necessary actions), in order to convey all right, title and interest in the Deliverable Obligations specified in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, to the Issuer or the Holders, as the case may be, free and clear of any and all liens, charges, claims or encumbrances (including, without limitation, any counterclaim, defence (other than a counterclaim or defence as set out in the definition of "Credit Event") or right of set-off by or of the Reference Entity or, as applicable, an Underlying Obligor) provided that to the extent that the Deliverable Obligations consist of Direct Loan Participations, **"Deliver"** means to create (or procure the creation of) a participation in favour of the Issuer or the Holders, as the case may be, and to the extent that the Deliverable Obligations consist of Qualifying Guarantees, **"Deliver"** means to Deliver both the Qualifying Guarantee and the Underlying Obligation. **"Delivery"** and **"Delivered"** will be construed accordingly.

In the case of a Loan, Delivery shall be effected using documentation substantially in the form of the documentation customarily used in the relevant market for Delivery of such Loan at that time. Notwithstanding the previous sentence, in the case of a Loan, the Issuer and each Holder agrees to comply, for the purposes of the settlement of the Credit Securities with the provisions of any documentation (which term shall be deemed to include any market advisory that the relevant Credit Derivatives Determinations Committee Resolves to approve for such purpose) that the relevant Credit Derivatives Determinations Committee Resolves constitutes documentation customarily used in the relevant market for Delivery of such Loan at that time, as such documentation may be amended to the extent the relevant Credit Derivatives Determinations Committee Resolves is appropriate, which is consistent with the delivery and payment obligations of the parties hereunder. The Issuer agrees, and each Holder is deemed to further agree, that compliance by the Issuer with the provisions of any such documentation shall be required for, and, without further action, constitute, Delivery for the purposes of this definition (to the extent that such documentation contains provisions describing how Delivery should be effected) and neither the Issuer nor any Holder shall be permitted to request that any party take nor shall the Issuer or any Holder be required to take, any action or make any payment in connection with such Delivery, as applicable, unless otherwise contemplated by such documentation.

**"Deliverable Obligation"** means, subject to Credit Security Conditions 8(a), (b) and (c):

- (a) each obligation of a Reference Entity (either directly, or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable with respect thereto, as provider of any Qualifying Guarantee) described by the Deliverable Obligation Category, and, subject to Credit Security Condition 5, having each of the Deliverable Obligation Characteristics, if any, in each case, as of the Delivery Date (but excluding any Excluded Deliverable Obligation) that:
  - (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable;

- (ii) is not subject to any counterclaim, defence (other than as set out in the definition of "Credit Event") 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) subject to the last paragraph of the definition of "Not Contingent", each Reference Obligation, unless specified in the Final Terms as an Excluded Deliverable Obligation;
- (c) solely in relation to a Restructuring Credit Event applicable to a Sovereign Reference Entity, any Sovereign Restructured Deliverable Obligation (but excluding any Excluded Deliverable Obligation) that:
  - (i) is payable in an amount equal to its Outstanding Principal Balance or Due and Payable Amount, as applicable;
  - (ii) is not subject to any counterclaim, defence (other than as set out in the definition of "Credit Event") 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, as 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; and
- (d) any other obligation of a Reference Entity specified as such in the Final Terms.

**"Deliverable Obligation Category"** means one of Payment, Borrowed Money, Reference Obligations Only, Bond, Loan, or Bond or Loan as specified in relation to a Reference Entity. If any of Payment, Borrowed Money, Loan or Bond or Loan is specified as the Deliverable Obligation Category and more than one of Assignable Loan, Consent Required Loan and Direct Loan Participation are specified as Deliverable Obligation Characteristics, the Deliverable Obligations may include any Loan that satisfies any one of such Deliverable Obligation Characteristics specified and need not satisfy all such Deliverable Obligation Characteristics. No Deliverable Obligation Characteristics are applicable to Reference 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.

**"Deliverable Obligation Provisions"** in relation to any Reference Entity, has the meaning set forth in the Credit Derivatives Auction Settlement Terms.

**"Deliverable Obligation Terms"** in relation to any Reference Entity, has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms.

**"Delivery Date"** means, with respect to a Deliverable Obligation, the date such Deliverable Obligation is Delivered.

**"Direct Loan Participation"** means a Loan in respect of which, pursuant to a participation agreement, the Issuer is capable of creating, or procuring the creation of, a contractual right in favour of each Holder that provides each Holder with recourse to the participation seller for a specified share in any payments due under the relevant Loan which are received by such participation seller, any such agreement to be entered into between each Holder and either:

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

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

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

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).

**"Eligible Transferee"** means each of the following:

- (a) each of:
  - (1) any bank or other financial institution;
  - (2) an insurance or reinsurance company;
  - (3) a mutual fund, unit trust or similar collective investment vehicle (other than an entity specified in sub-paragraph (c)(i) below); and
  - (4) a 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 U.S.\$ 500 million;



- (b) an Affiliate of an entity specified in paragraph (a) above;
- (c) each of a corporation, partnership, proprietorship, organisation, trust or other entity:
  - (i) that is an investment vehicle (including, without limitation, any hedge fund, issuer of collateralised debt obligations, commercial paper conduit or other special purpose vehicle) that:
    - (A) has total assets of at least U.S.\$ 100 million; or
    - (B) is one of a group of investment vehicles under common control or management having, in the aggregate, total assets of at least U.S.\$ 100 million; or
  - (ii) that has total assets of at least U.S.\$ 500 million; or
  - (iii) the obligations of which under an agreement, contract or transaction are guaranteed or otherwise supported by a letter of credit or keepwell, support, or other agreement by an entity described in paragraphs (a), (b), (c)(ii) or (d) hereof; and
- (d) a Sovereign, Sovereign Agency or Supranational Organisation,

and where references in this definition to U.S.\$ include equivalent amounts in other currencies.

**"Enabling Obligation"** means, in respect of a Reference Entity, an outstanding Deliverable Obligation that:

- (a) is a Fully Transferable Obligation or a Conditionally Transferable Obligation, as applicable; and
- (b) a final maturity date occurring on or prior to the Relevant Date and following the Limitation Date immediately preceding the Relevant Date (or, in circumstances where the Relevant 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 equity securities of the issuer of such obligation together with any other property 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 distributed to or made available to holders of those equity securities from time to time.

**"Escrow"** means, if Escrow is specified in relation to a Reference Entity as applicable, either the Issuer or any Holder may require that physical settlement take place through the use of an Escrow Agent (in the case of any such request by a Holder, solely in relation to the Certificates held by such Holder). Any costs or expenses incurred in connection with establishing such escrow arrangement shall be borne by the relevant Holder.

**"Escrow Agent"** means, unless otherwise specified in the Final Terms, an independent third party financial institution specified by the Issuer prior to the Physical Settlement Date, subject to the terms of the escrow arrangement.

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

- (a) subject to sub-paragraph (b) below, if neither a DC Credit Event Announcement nor a DC No Credit Event Announcement has occurred, the first date on which both the Credit Event Notice and, if Notice of Publicly Available Information is specified as a Condition to Settlement, the Notice of Publicly Available Information are delivered by the Calculation Agent to the Issuer and are effective during:
  - (1) the Notice Delivery Period; or
  - (2) the period from, and including, the day 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" to and including, the date that is 15 Business Days (or, in the case of Credit Warrants, 14 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, if specified in the Final Terms and if not, including prior to the Issue Date)); or
- (b) save in respect of Credit Warrants and a Restructuring Credit Event and notwithstanding sub-paragraph (a) above, if a DC Credit Event Announcement has occurred, the Credit Event Resolution Request Date, provided that:
  - (1) no Physical Settlement Date or Cash Settlement Date (as applicable) has occurred on or prior to the date on which the DC Credit Event Announcement occurs;
  - (2) if any Valuation Date or Delivery Date, as applicable, has occurred as of the date on which the DC Credit Event Announcement occurs, an Event Determination Date shall be deemed to have occurred only with respect to the portion of the Reference Entity Notional Amount, if any, with respect to which no Valuation Date or Delivery Date, as applicable, has occurred;
  - (3) no Credit Event Notice specifying a Restructuring as the only Credit Event has previously been delivered by the Calculation Agent to the Issuer:
    - (i) unless the Restructuring stated 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
    - (ii) unless, and to the extent that, the Exercise Amount specified in any such Credit Event Notice was less than the then outstanding Reference Entity Notional Amount; and
  - (4) if the Credit Event that is the subject of the DC Credit Event Announcement is a Restructuring, the Calculation Agent has delivered a Credit Event Notice to the Issuer on or prior to the Exercise Cut-off Date.

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, a DC No Credit Event

Announcement occurs with respect to the event that, but for such DC No Credit Event Announcement, would have constituted a Credit Event prior to the Auction Final Price Determination Date, a Valuation Date, the Physical Settlement Date (or, if earlier, a Delivery Date) or the Redemption Date, as applicable.

In respect of Credit Warrants and a Restructuring Credit Event, the Calculation Agent will deliver a Credit Event Notice as soon as reasonably practicable after a DC Credit Event Announcement only if it determines that an Auction has been held or will be held in respect of Deliverable Obligations which are eligible as Valuation Obligations under the terms of the Credit Warrants. An Event Determination Date will occur in such case on the date on which such Credit Event Notice is delivered by the Calculation Agent to the Issuer, and a Notice of Publicly Available Information shall not be required.

**"Excess Amount"** means any amount paid to the Holders but which was not due on the Credit Securities, as a result of the occurrence of a DC Credit Event Announcement or a Credit Event Resolution Request Date on or around the date on which the amount in question would otherwise have been required to be paid.

**"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 of a Reference Entity specified as such or of a type described as such in relation thereto.

**"Excluded Obligation"** means any obligation of a Reference Entity specified as such or of a type described as such in relation thereto.

**"Exercise Amount"** has the meaning given to it in Credit Security Condition 8(a)(i).

**"Exercise Cut-off Date"** means the date that is the later of:

- (a) 65 Business Days following the Final List Publication Date;
- (b) 15 Credit Security Business Days following the Auction Final Price Determination Date, if any;
- (c) 15 Credit Security Business Days following the Auction Cancellation Date, if any; or
- (d) the date that is 15 Credit Security Business Days following the No Auction Announcement Date, if any.

**"Extended Physical Settlement Date"** means:

- (a) in the case of a Capped Reference Entity, the 60<sup>th</sup> Credit Security Business Day following the Physical Settlement Date, provided that if, under the terms of a Hedge Transaction, the Original Bonds and Original Loans, may not be received by the Issuer and/or any of its Affiliates on or before the Extended Physical Settlement Date but the Issuer and/or any of its Affiliates may, in accordance with the terms of the Hedge Transaction, receive or otherwise obtain such Original Bonds or such Original Loans or other Bonds or Loans in lieu thereof on or before the date falling three Credit Security Business Days (in a case where Original Bonds may be received or otherwise obtained after the Extended Physical Settlement Date) or ten Credit Security Business Days (in a case where Original Loans or other Loans or Bonds in lieu thereof may be received or otherwise obtained after the Extended Physical Settlement Date) after the Extended Physical Settlement Date, such date may be further extended to a date falling up to three Credit Security

Business Days or ten Credit Security Business Days, respectively, after the original Extended Physical Settlement Date, or to such earlier date as the Calculation Agent may determine, in its absolute discretion; and

- (b) in the case of a Non-Capped Reference Entity, such date as the Calculation Agent may determine in its absolute discretion, provided that such date falls no later than the 120<sup>th</sup> Credit Security Business Day following the Physical Settlement Date or, in the absence of such determination, such 120<sup>th</sup> Credit Security Business Day.

**"Extension Date"** means the latest of:

- (a) (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date;
- (b) the Grace Period Extension Date if:
  - (1) Failure to Pay is an applicable Credit Event in relation to any Reference Entity;
  - (2) Grace Period Extension is specified as applicable in relation to such Reference Entity; and
  - (3) the Issuer delivers an Extension Notice under sub-paragraph (b) of the definition thereof;
- (c) the Repudiation/Moratorium Evaluation Date if:
  - (1) Repudiation/Moratorium is an applicable Credit Event in relation to any Reference Entity; and
  - (2) the Issuer delivers an Extension Notice under sub-paragraph (c) of the definition thereof.

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

- (a) without prejudice to sub-paragraphs (b), (c) or (d) below, that a Credit Event has occurred or may occur on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date; or
- (b) that a Potential Failure to Pay has occurred or may occur on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (c) that a Potential Repudiation/Moratorium has occurred or may occur on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (d) that a Credit Event Resolution Request Date has occurred or may occur on or prior to the last day of the Notice Delivery Period.

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

**"Fallback Settlement Event"** means:

- (a) an Auction Cancellation Date occurs;
- (b) a No Auction Announcement Date occurs (and in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms on or prior to the date that is 65 Business Days following the Final List Publication Date or such earlier date as the Issuer may designate by notice to the Calculation Agent and the Holders in accordance with General Condition 10);
- (c) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved, following a Credit Event Resolution Request Date, not to determine whether or not an event constitutes a Credit Event for the purposes of credit derivatives transactions for such Reference Entity in the over-the-counter market (including any Hedge Transaction);
- (d) ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved that the relevant event that has occurred constitutes a Restructuring for the purposes of credit derivatives transactions for such Reference Entity in the over-the-counter market (including any Hedge Transaction) and that no Auction will be held with respect to such Reference Entity and Restructuring Credit Event; or
- (e) an Event Determination Date has occurred pursuant to sub-paragraph (a) of the definition of "Event Determination Date", and no Credit Event Request Resolution Date has occurred within two Business Days of such Event Determination Date.

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

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

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

**"Final Price"** means the price of the Reference Obligation or, as applicable, any Valuation Obligation, Deliverable Obligation or Undeliverable Obligation, expressed as a percentage determined in accordance with (in the case of Credit Certificates) the highest Quotation or (in the case of Credit Warrants) the lowest Quotation obtained by the Calculation Agent (or otherwise in accordance with the definition of "Quotation") with respect to the Relevant Valuation Date.

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

**"Full Quotation"** means, in accordance with (in the case of Credit Certificates) the bid quotations or (in the case of Credit Warrants) the offer quotations provided by the Credit Security Dealers, each firm

quotation (expressed as a percentage of the Outstanding Principal Balance) obtained from a Credit Security Dealer at the Valuation Time, to the extent reasonably practicable, for an amount of the Reference Obligation, Deliverable Obligation or, as the case may be, Undeliverable Obligations with an Outstanding Principal Balance 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 of "Fully Transferable Obligation". For purposes of determining whether a Deliverable Obligation satisfies the requirements of this definition of "Fully Transferable Obligation", such determination shall be made as of the Delivery Date for the relevant 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 or the Guarantor (as applicable).

**"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 organisation of a Reference Entity.

**"Grace Period"** means:

- (a) subject to sub-paragraphs (b) and (c), 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 applicable in relation to the relevant Reference Entity, a Potential Failure to Pay has occurred on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)) and the applicable grace period cannot, by its terms, expire on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time))), the Grace Period shall be deemed to be the lesser of such grace period and the period specified as such in the applicable Final Terms or, if no period is specified, thirty calendar days; and
- (c) if, as of the date as of which an Obligation is issued or incurred, no grace period with respect to payments or a grace period with respect to payments of less than three Grace Period Business Days is applicable under the terms of such Obligation, a Grace Period of three Grace Period Business Days shall be deemed to apply to such Obligation; provided that, unless Grace Period Extension is specified in relation to the relevant Reference Entity in the Final Terms, such deemed Grace Period shall expire no later than (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date.

**"Grace Period Business Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments in the place or places and on the days specified for that purpose in

the relevant Obligation and if a place or places are not so specified, in the jurisdiction of the Obligation Currency.

**"Grace Period Extension Date"** means, if:

- (a) Grace Period Extension is specified as applicable in relation to a Reference Entity in the Final Terms as applicable, pursuant to the relevant Transaction Type; and
- (b) a Potential Failure to Pay occurs on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)),

the date that is the number of days in the Grace Period after the date of such Potential Failure to Pay.

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

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

**"Hedging Disruption"** means that the Issuer, the Guarantor, if applicable, and/or any of their respective Affiliates is unable, after using commercially reasonable efforts, to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or options contract(s) it deems necessary to hedge its exposure with respect to the Credit Securities, or (B) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s) or any futures or options contract(s) or any relevant hedge positions relating to the Credit Securities.

**"Increased Cost of Hedging"** means that the Issuer, the Guarantor (if applicable) and/or any of their respective Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (A) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, equity price risk, foreign exchange risk and interest rate risk) of the Issuer or the Guarantor, (if applicable), issuing and performing its obligations with respect to the Credit Securities, or (B) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer, the Guarantor, (if applicable) and/or any of their respective affiliates shall not be deemed an Increased Cost of Hedging.

**"Indicative Quotation"** shall mean each bid quotation obtained from a Credit Security Dealer at the Valuation Time for (to the extent reasonably practicable) an amount of the Undeliverable Obligation equal to the Quotation Amount, which reflects such Credit Security Dealer's reasonable assessment of the price of such Undeliverable Obligation based on such factors as such Credit Security Dealer may consider relevant, which may include historical prices and recovery rates.

**"Interest"** means, for the purposes of the definition of "First Ranking Interest", a charge, security interest or other type of interest having similar effect.

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

**"July 2009 Supplement"** means the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement to the 2003 ISDA Credit Derivatives Definitions, as published by ISDA on 14 July 2009.

**"Latest Maturity Restructured Bond or Loan"** means, in respect of a Reference Entity and a Credit Event that is a Restructuring, the Restructured Bond or Loan with the latest final maturity date.

**"Latest Permissible Physical Settlement Date"** means, in respect of partial cash settlement due to a Potential Cash Settlement Event, 30 calendar days following the Physical Settlement Date and, in respect of Partial Cash Settlement (as specified in the Final Terms) in respect of a Deliverable Obligation comprised of Loans, the date that is 15 Credit Security Business Days after the Physical Settlement Date.

**"Legacy Reference Entity"** has the meaning given to such term in Credit Security Condition 6(b)(ii) above.

**"Limitation Date"** means, in respect of a Credit Event that is a Restructuring, the first of March 20, June 20, September 20 or December 20 in any year to occur on or immediately following the date that is one of the following numbers of years after the Restructuring Date: 2.5 years (the **"2.5-year Limitation Date"**), 5 years (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 unless otherwise provided in the Final Terms.

**"Linear Basket Credit Certificate"** means Credit Certificates where the Issuer purchases credit protection from the Holders in respect of a basket of Reference Entities (other than on an Nth-to-default basis), as specified in the Final Terms.

**"Linear Basket Credit Securities"** means Linear Basket Credit Certificates and/or Linear Basket Credit Warrants, as the case may be.

**"Linear Basket Credit Warrant"** means Credit Warrants where the Issuer sells credit protection to the Holders in respect of a basket of Reference Entities (other than on an Nth-to-default basis), as specified in the Final Terms.

**"Listed"** means an obligation that is quoted, listed or ordinarily purchased and sold on an exchange and, if specified as applicable to an Obligation Category, the Listed Obligation Characteristic shall be applicable only in respect of obligations within that Obligation Category that are Bonds or, if specified as applicable to a Deliverable Obligation Category, the Listing Deliverable Obligation Characteristics shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

**"Loan"** means any obligation of a type included in the Borrowed Money Obligation Category that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement and shall not include any other type of Borrowed Money.

**"London Business Day"** means a day on which commercial banks and foreign exchange markets are generally open to settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London.

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

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



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

**"Maximum Maturity"** means an obligation that has a remaining maturity from the Physical Settlement Date of not greater than:

- (a) the period specified in relation to a Reference Entity; or
- (b) if no such period is so specified, 30 years.

**"Merger Event"** means that at any time during the period from (and including) the Trade Date to (but excluding) (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date, the Issuer, the Guarantor (if applicable) or a Reference Entity consolidates or amalgamates with, or merges into, or transfers all or substantially all of its assets to, a Reference Entity, the Issuer or the Guarantor as applicable, or (if applicable) the Guarantor and a Reference Entity or the Issuer and a Reference Entity become affiliates.

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

**"Minimum Quotation Amount"** means the amount specified as such in the applicable Final Terms (or its equivalent in the relevant Obligation Currency) or, if no amount is so specified, the lower of:

- (a) U.S.\$ 1,000,000 (or its equivalent in the relevant Obligation Currency); and
- (b) 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 Relevant Date, provided that, in circumstances where the Relevant Date is later than the 2.5-year Limitation Date, at least one Enabling Obligation exists. With respect to a Reference Entity for which Restructuring is an applicable Credit Event and for which "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type and for which the Relevant 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 Relevant Date is either:

- (a) on or prior to the 2.5-year Limitation Date; or
- (b) 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 Relevant Date is later than:

- (i) the 2.5-year Limitation Date and no Enabling Obligation exists; or
- (ii) the 20-year Limitation Date,

the Modified Restructuring Maturity Limitation Date will be the Relevant Date.

**"Multiple Holder Obligation"** means an Obligation that:

- (a) at the time of the event which constitutes a Restructuring Credit Event is held by more than three holders that are not Affiliates of each other; and
- (b) with respect to which a percentage of holders (determined pursuant to the terms of the Obligation as in effect on the date of such event) at least equal to sixty-six and two-thirds is required to consent to the event which constitutes a Restructuring Credit Event,

provided that any Obligation that is a Bond shall be deemed to satisfy the requirement in paragraph (b) above.

**"N"** or **"Nth"** means, where the relevant Final Terms specify that "Nth-to-Default Credit Certificate" or "Nth-to-Default Credit Warrant" is applicable, such number as may be specified in such Final Terms.

**"Next Currency Fixing Time"** means 4:00 p.m. (London time) on the London Business Day immediately following the date on which the Notice of Physical Settlement or relevant NOPS Amendment Notice, as applicable, is effective or, as applicable, the date of selection of Valuation Obligations.

**"No Auction Announcement Date"** means, with respect to any Reference Entity, the date on which ISDA announces that:

- (a) no Transaction Auction Settlement Terms and, if applicable, Parallel Auction Settlement Terms will be published with respect to credit derivative transactions in the over-the-counter market and the relevant Credit Event and Reference Entity;
- (b) following the occurrence of a Credit Event which is a Restructuring in respect of such Reference Entity for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified in the Final Terms or is applicable in respect of the applicable Transaction Type, no Transaction Auction Settlement Terms will be published, but Parallel Auction Settlement Terms will be published; or
- (c) the relevant Credit Derivatives Determinations Committee has Resolved that no Auction will be held with respect to such Reference Entity and Credit Event for which any Hedge Transaction is an Auction Covered Transaction following a prior public announcement by ISDA to the contrary.

**"Non-Capped Reference Entity"** means a Reference Entity which is not a Capped Reference Entity.

**"NOPS Amendment Notice"** means a notice from the Issuer to the Calculation Agent notifying it, 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.

**"Not Bearer"** means any obligation that is not a bearer instrument unless interests with respect to such bearer instrument are cleared via Euroclear, Clearstream, Luxembourg or any other internationally recognised clearing system and, if specified as applicable to a Deliverable Obligation Category, the Not

Bearer Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are Bonds.

**"Not 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 constitute Deliverable Obligations that are Not Contingent 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.

If a Reference Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Reference Obligation may be included as a Deliverable Obligation only if the rights referred to in paragraphs (a) and (b) above have 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 of 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 Final Terms, any unsubordinated Borrowed Money obligation of the Reference Entity,

provided that, if any of the events set forth under sub-paragraph (a) of the definition of "Substitute Reference Obligation" have occurred with respect to all of the Reference Obligations or if the last paragraph of the definition of "Successor" applies with respect to 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.

**"Notice Delivery Period"** means the period from and including the Trade Date to and including the date 15 Credit Security Business Days (or such other number of days as may be specified in the Final Terms) after the Extension Date (or, if the relevant Credit Event is a Restructuring and either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified (or deemed specified) in the Final Terms, the later of:

- (a) such date; and
- (b) the date that is 65 Business Days following the Final List Publication Date).

**"Notice of Physical Settlement"** means a notice delivered by the Calculation Agent on behalf of the Issuer (with a copy to the Issuer), to the Holders on or prior to the later of:

- (a) 65 Credit Security Business Days following the Final List Publication Date;
- (b) subject to sub-paragraph (c) below, 25 Credit Security Business Days after the last to occur of the Auction Cancellation Date, the No Auction Announcement Date, the last Parallel Auction Cancellation Date and the last Parallel Auction Final Price Determination Date (in each case if any and if applicable); and
- (c) in circumstances where the No Auction Announcement Date occurs pursuant to sub-paragraph (b) of the definition thereof, the Issuer has not delivered an Auction Settlement Amount Notice specifying an applicable Parallel Auction Settlement Terms to the Calculation Agent by the Restructuring Exercise Date, 5 Credit Security Business Days following such Restructuring Exercise Date,

that:

- (i) irrevocably confirms that the Issuer will redeem the Credit Certificates by physical delivery in accordance with Credit Security Condition 4;
- (ii) contains a detailed description of the Deliverable Obligations that the Issuer will Deliver (or procure Delivery of) to the Holders, including the Outstanding Amount; and
- (iii) where the relevant Credit Event is a Restructuring and either "Restructuring Maturity Limitation Date and Fully Transferable Obligation Applicable" and "Modified Restructuring Maturity Limitation Date and Conditionally Transferable Obligation Applicable" is specified (or deemed

specified) in the Final Terms or is applicable in respect of the applicable Transaction Type and the Redemption Date of the Credit Certificates 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 (if any such Enabling Obligation exists).

The Notice of Physical Settlement shall specify Deliverable Obligations having an Outstanding Amount (or the equivalent specified Currency Amount converted at the Currency Rate) on the Settlement Valuation Date equal to the Reference Entity Notional Amount (or, as applicable, Exercise Amount), subject to any Physical Settlement Adjustment.

The Issuer may, from time to time, deliver to the Calculation Agent in the manner specified above a NOPS Amendment Notice. A NOPS Amendment Notice shall contain a revised detailed description of each Replacement Deliverable Obligation and shall also specify the Replaced Deliverable Obligation Outstanding Amount. The Outstanding Amount of each Replacement Deliverable Obligation identified in a NOPS Amendment Notice shall be determined by applying the Revised Currency Rate to the relevant Replaced Deliverable Obligation Outstanding Amount. Each such NOPS Amendment Notice must be effective on or prior to the Physical Settlement Date (determined without reference to any change resulting from such NOPS Amendment Notice). Notwithstanding the foregoing, the Issuer may correct any errors or inconsistencies in the detailed description of each Deliverable Obligation contained in the Notice of Physical Settlement or any NOPS Amendment Notice, as applicable, by notice to the Calculation Agent (given in the manner specified above) prior to the relevant Delivery Date, it being understood that such notice of correction shall not constitute a NOPS Amendment Notice.

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

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

- (a) the "Trade Date" is the Trade Date, if specified in the Final Terms and if not, the Issue Date;
- (b) the "Scheduled Termination Date" is (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date;
- (c) the "Reference Entit(y)(ies)" thereunder is (are) such Reference Entit(y)(ies);

- (d) the applicable "Transaction Type", if any, is the Transaction Type for the purposes of such Credit Security; and
- (e) the remaining terms as to credit linkage are consistent with the terms of such Credit Security as it relates to such Reference Entity.

**"Nth-to-Default Credit Certificate"** means any First-to-Default Credit Certificate or any other nth-to-default Credit Certificates where the Issuer purchases credit protection from the Holders in respect of two or more Reference Entities, as specified in the Final Terms.

**"Nth-to-Default Credit Warrant"** means any First-to-Default Credit Warrant or any other nth-to-default Credit Warrants where the Issuer sells credit protection to the Holders in respect of two or more Reference Entities, as specified in the Final Terms.

**"Obligation"** means:

- (a) each obligation of a Reference Entity (either directly or as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified in relation to a Reference Entity, as provider of any Qualifying Guarantee) described by the Obligation Category specified in the Final Terms, and having each of the Obligation Characteristics specified in the Final Terms (but excluding any Excluded Obligation), in each case, as of the date of the event which constitutes the Credit Event which is the subject of the Credit Event Notice or a notice to ISDA which results in the occurrence of the Credit Event Resolution Request Date, as applicable, but excluding any Excluded Obligation;
- (b) each Reference Obligation specified in the applicable Final Terms, unless specified as an Excluded Obligation; and
- (c) any other obligation of a Reference Entity specified as such in the 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 relation to a Reference Entity.

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

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

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

**"Officer's Certification"** means a certificate signed by a director (or other substantively equivalent title) of the Issuer which shall certify the occurrence of a Credit Event with respect to a Reference Entity.

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

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

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

**"Outstanding Principal Balance"** means:

- (a) with respect to any Accreting Obligation, the Accreted Amount thereof;
- (b) with respect to any Exchangeable Obligation that is not an Accreting Obligation, the outstanding principal balance of such obligation excluding any amount that may be payable under the terms of such obligation in respect of the value of the Equity Securities into which such obligation is exchangeable; and
- (c) with respect to any other Obligation, the outstanding principal balance of such Obligation.

**"Parallel Auction"** means "Auction" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Cancellation Date"** means "Auction Cancellation Date" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Final Price Determination Date"** means the "Auction Final Price Determination Date" as defined in any relevant Parallel Auction Settlement Terms.

**"Parallel Auction Settlement Terms"** means, in respect of a Credit Event with respect to a Reference Entity, following the occurrence of a Restructuring for which either "Restructuring Maturity Limitation and Fully Transferable Obligation Applicable" or "Modified Restructuring Maturity Limitation and Conditionally Transferable Obligation Applicable" is specified (or deemed to be specified) in the Final Terms and Credit Securities, 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 which would be applicable to the Notional Credit Derivative Transaction (but the Permissible Deliverable Obligations are more limited than the Permissible Deliverable Obligations under the Transaction Auction Settlement Terms) and for which the Notional Credit Derivative Transaction would not be an Auction Covered Transaction.

**"Partial Cash Settlement Amount"** means where the applicable Settlement Method is Physical Settlement, an amount determined by the Calculation Agent equal to the aggregate, for each Undeliverable Obligation, of:

- (a) the Final Price of such Undeliverable Obligations multiplied by;
- (b) the relevant Outstanding Principal Balance, Due and Payable Amount or Currency Amount, as applicable, of such Undeliverable Obligation specified in the relevant Notice of Physical Settlement.

**"Partial Cash Settlement Date"** means the date falling three Credit Security Business Days (unless otherwise specified in relation to a Reference Entity) after the calculation of the Final Price.

**"Payment"** means any obligation (whether present or future, contingent or otherwise) for the payment or repayment of money, including, without limitation, Borrowed Money.

**"Payment Requirement"** means the amount specified as such the applicable Final Terms or its equivalent in the relevant Obligation Currency or, if a Payment Requirement is not so specified in the applicable Final Terms, U.S.\$ 1,000,000, or its equivalent as calculated by the Calculation Agent in the relevant Obligation Currency, in either case, as of the occurrence of the relevant Failure to Pay or Potential Failure to Pay, as applicable.

**"Permissible Deliverable Obligations"** has the meaning set forth in the relevant Credit Derivatives Auction Settlement Terms, being either all or the portion of the Deliverable Obligations included on the Final List pursuant to the Deliverable Obligation Terms that are applicable to that Auction.

**"Permitted Currency"** means:

- (a) the legal tender of any Group of seven country (or any country that becomes a member of the Group of seven if such Group of seven expands its membership); or
- (b) the legal tender of any country which, as of the date of such change, is a member of the Organisation for Economic Co-operation and Development and has a local currency long term debt rating of either "AAA" or higher assigned to it by S&P, "Aaa" or higher assigned to it by Moody's or "AAA" or higher assigned to it by Fitch Ratings.

**"Physical Settlement Adjustment"** means a reduction to the Outstanding Amount of Deliverable Obligations specified in a Notice of Physical Settlement, by an amount of Deliverable Obligations having a liquidation value equal to the Unwind Costs (only if positive) rounded upwards to the nearest whole denomination of a Deliverable Obligation, such amount to be determined by the Calculation Agent. For the avoidance of doubt, if the applicable Final Terms specify that Unwind Costs are not applicable, the Physical Settlement Adjustment shall be zero.

**"Physical Settlement Adjustment Rounding Amount"** means an amount (if any) equal to the difference between the absolute value of the Physical Settlement Adjustment and the liquidation value of such whole number of Deliverable Obligations as are not required to be Delivered by the Issuer by way of compensation for any Unwind Costs.

**"Physical Settlement Date"** means the last day of the longest Physical Settlement Period following the satisfaction of all applicable Conditions to Settlement as specified in relation to a Reference Entity as the Calculation Agent may designate in its discretion, provided that if the Final Price has not been determined by the Credit Security Business Day immediately preceding the Physical Settlement Date, the Physical Settlement Date shall be the first Credit Security Business Day after the Final Price is determined.

**"Physical Settlement Matrix"** means the Credit Derivatives Physical Settlement Matrix Supplement to the Credit Derivatives Definitions, as most recently amended or supplemented as at the Trade Date (unless otherwise specified in relation to a Reference Entity) and as published by ISDA, currently at <http://www.isda.org>, provided that any reference therein to:

- (a) "Confirmation" shall be deemed to be a reference to the applicable Final Terms;
- (b) "Floating Rate Payer Calculation Amount" shall be deemed to be a reference to the Specified Currency;
- (c) "Section 3.3 of the Definitions" shall be deemed to be a reference to "Credit Event Notice" as defined in this Annex 11;
- (d) "Section 3.9" shall be deemed to be a reference to Credit Security Condition 8(a); and



- (e) "Section 8.6" shall be deemed to be a reference to "Physical Settlement Period" as defined in this Annex 11.

**"Physical Settlement Period"** means, subject to Credit Security Condition 2(e), the number of Credit Security Business Days specified as such in relation to a Reference Entity or, if a number of Credit Security Business Days is not so specified, then, with respect to a Deliverable Obligation specified in the Notice of Physical Settlement, the longest number of Credit Security Business Days for settlement in accordance with then current market practice of such Deliverable Obligation, as determined by the Calculation Agent.

**"Potential Cash Settlement Event"** means an event beyond the control of the Issuer (including, without limitation, failure of the relevant clearance system; or the failure to obtain any requisite consent with respect to the Delivery of Loans or the non-receipt of any such requisite consents or any relevant participation (in the case of Direct Loan Participation) is not effected; or due to any law, regulation or court order, but excluding markets conditions or any contractual, statutory and/or regulatory restriction relating to the relevant Deliverable Obligation, or due to the failure of the Holder to give the Issuer details of accounts for settlement; or a failure of the Holder to open or procure the opening of such accounts or if the Holders are unable to accept Delivery of the portfolio of Deliverable Obligations for any other reason).

**"Potential Failure to Pay"** means the failure by 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 sub-paragraph (a) of the definition of "Repudiation/Moratorium".

**"Public Source"** means each source of Publicly Available Information specified as such in the applicable Final Terms (or, if a source is not so specified in the Final Terms, each of Bloomberg Service, Dow Jones Telerate Service, Reuter Monitor Money Rates Services, Dow Jones News Wire, Wall Street Journal, New York Times, Nihon Keizai Shinbun, Asahi Shinbun, Yomiuri Shinbun, Financial Times, La Tribune, Les Echos and The Australian Financial Review (and successor publications), the main source(s) of business news in the country in which the Reference Entity is organised and any other internationally recognised published or electronically displayed news sources).

**"Publicly Available Information"** means:

- (a) information that reasonably confirms any of the facts relevant to the determination that the Credit Event or a Potential Repudiation/Moratorium, as applicable, described in a Credit Event Notice has occurred and which:
- (1) has been published in or on not less than two Public Sources, regardless of whether the reader or user thereof pays a fee to obtain such information provided that, if either the Calculation Agent or the Issuer, the Guarantor (if applicable) or any of their respective Affiliates is cited as the sole source of such information, then such information shall not be deemed to be Publicly Available Information unless either the Calculation Agent or the Issuer, the Guarantor (if applicable) or any of their Affiliates is acting in its capacity as trustee, fiscal agent, administrative agent, clearing agent or paying agent, facility agent or agent bank for an Obligation;

- (2) is information received from or published by (A) a Reference Entity (or a Sovereign Agency in respect of a Reference Entity which is a Sovereign or (B) a trustee, fiscal agent, administrative agent, clearing agent or paying agent, facility agent or agent bank for an Obligation; or
  - (3) is information contained in any petition or filing instituting a proceeding described in sub-paragraph (d) of the definition of "Bankruptcy" against or by a Reference Entity; or
  - (4) 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, regulatory or judicial body.
- (b) In the event that the Calculation Agent is:
  - (1) the sole source of information in its capacity as trustee, fiscal agent, administrative agent, clearing agent, paying agent, facility agent or agent bank for an Obligation; and
  - (2) a holder of the Obligation with respect to which a Credit Event has occurred, the Calculation Agent shall be required to deliver to the Issuer an Officer's Certification.
- (c) In relation to any information of any type described in sub-paragraphs (a)(2), (3) and (4) above, the Calculation Agent 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 party disclosing such information has not taken any action or entered into any agreement or understanding with the Reference Entity or any Affiliate of the Reference Entity that would be breached by, or would prevent, the disclosure of such information to third parties.
- (d) Publicly Available Information need not state:
  - (1) in relation to the definition of "Downstream Affiliate", the percentage of Voting Shares owned, directly or indirectly, by the Reference Entity; and
  - (2) 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 Underlying Obligation on behalf of the Underlying Obligor. Qualifying Guarantees shall exclude any arrangement:

- (a) structured as a surety bond, financial guarantee insurance policy, letter of credit or equivalent legal arrangement; or
- (b) pursuant to the terms of which the payment obligations of the Reference Entity can be discharged, reduced, assigned or otherwise altered (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 relation to a Reference Entity. If no such requirements are specified, there shall be no Qualifying Participation Seller.

**"Quotation"** means, in respect of Reference Obligations, Deliverable Obligations and Undeliverable Obligations, as the case may be, each Full Quotation and the Weighted Average Quotation obtained and expressed as a percentage with respect to a Valuation Date in the manner that follows:

- (a) The Calculation Agent shall attempt to obtain Full Quotations with respect to each Relevant Valuation Date from five or more Credit Security Dealers. If the Calculation Agent is unable to obtain two or more such Full Quotations on the same Credit Security Business Day within three Credit Security Business Days of a Relevant Valuation Date, then on the next following Credit Security Business Day (and, if necessary, on each Credit Security Business Day thereafter until the tenth Credit Security Business Day following the applicable Relevant Valuation Date) the Calculation Agent shall attempt to obtain Full Quotations from five or more Credit Security Dealers and, if two or more Full Quotations are not available, a Weighted Average Quotation. If the Calculation Agent is unable to obtain two or more Full Quotations or a Weighted Average Quotation on the same Credit Security Business Day on or prior to the tenth Credit Security Business Day following the applicable Relevant Valuation Date the Quotations shall be deemed to be any Full Quotation obtained from a Credit Security Dealer at the Valuation Time on such tenth Credit Security Business Day, or if no Full Quotation is obtained, the weighted average of any firm quotations for the Reference Obligation obtained from Credit Security Dealers at the Valuation Time on such tenth Credit Security Business Day with respect to the aggregate portion of the Quotation Amount for which such quotations were obtained and a quotation shall be deemed to be zero for the balance of the Quotation Amount for which firm quotations were not obtained on such day.
- (b) If:
  - (1) "Include Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall include accrued but unpaid interest;
  - (2) "Exclude Accrued Interest" is specified in the applicable Final Terms in respect of Quotations, such Quotations shall not include accrued but unpaid interest; and
  - (3) 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 determination.
- (c) 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:

- (a) with respect to a Reference Obligation, the amount specified in relation to a Reference Entity (which may be specified by reference to an amount in a currency or by reference to the Representative Amount) or, if no amount is so specified, the Reference Entity Notional Amount (or, its equivalent in the relevant Obligation Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time that the relevant Quotation is being obtained);
- (b) with respect to each type or issue of Deliverable Obligation to be Delivered on or prior to the Physical Settlement Date, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as paragraph (a) above) of such Deliverable Obligation; and
- (c) with respect to each type or issue of Undeliverable Obligation, an amount equal to the Outstanding Principal Balance or Due and Payable Amount (or, in either case, its equivalent in the relevant Obligation Currency as calculated in the same manner as paragraph (a) above) of such Undeliverable Obligation.

**"Redemption Date"** means the date specified as such in the applicable Final Terms which shall not be subject to adjustment in accordance with any Business Day Convention unless otherwise specified in the applicable Final Terms.

**"Reference Entity"** or **"Reference Entities"** means the reference entity or reference entities specified in the Final Terms and any Successor to a Reference Entity either:

- (a) as identified by the Calculation Agent in accordance with the definition of "Successor" on or following the Trade Date; or
- (b) in respect of which ISDA publicly announces on or following the Trade Date that the relevant Credit Derivatives Determinations Committee has resolved that a Succession Event has occurred, in respect of a Succession Event Resolution Request Date. A Successor in accordance with the Rules shall in each case be a Reference Entity for the Credit Securities, as the terms of which may be modified pursuant to Credit Security Condition 6.

**"Reference Entity Notional Amount"** means the amount in which the Issuer has purchased (in the case of Credit Certificates) or sold (in the case of Credit Warrants) credit protection in respect of one or more Reference Entities, as set out in the Final Terms (or, if no such amount is specified, the aggregate Notional Amount of the Credit Certificates or, as the case may be, Credit Warrants divided by the number of Reference Entities), subject to Credit Security Condition 6.

**"Reference Obligation"** means:

- (a) the Reference Obligation specified in relation to a Reference Entity; and
- (b) any Substitute Reference Obligation.

**"Reference Obligations Only"** means any obligation that is a Reference Obligation and no Obligation Characteristics or, as the case may be, Deliverable Obligation Characteristics shall be applicable where Reference Obligations Only applies.

**"Relevant Date"** means (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date.

**"Relevant Obligations"** means:

- (a) subject to sub-paragraph (b) below, 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; and
- (b) where "LPN Reference Entity" is applicable to a Reference Entity, each of the obligations listed as a Reference Obligation of such Reference Entity in the relevant "LPN Reference Obligation List" as published by Markit Group Limited, or any successor thereto, which list is currently available at <http://www.markit.com/marketing/services.php>, any Additional LPN, and each Additional Obligation.

**"Relevant Valuation Date"** means the Settlement Valuation Date, Valuation Date or Undeliverable Valuation Date, as the case may be.

**"Replaced Deliverable Obligation Outstanding Amount"** means the Outstanding Amount of each Deliverable Obligation identified in the Notice of Physical Settlement or a prior NOPS Amendment Notice, as applicable, that is being replaced.

**"Replacement Deliverable Obligation"** means each replacement Deliverable Obligation that the Issuer will, subject to Credit Security Condition 4, Deliver to the holders of Securities in lieu of each original Deliverable Obligation which has not been Delivered as at the date of such NOPS Amendment Notice.

**"Replacement Reference Entity"** means an entity selected by the Calculation Agent in its discretion which is incorporated in the same geographical area, has the same Transaction Type as the Legacy Reference Entity and which is of a similar or better credit quality than the Legacy Reference Entity, as measured by Standard & Poor's Ratings Services and/or by Moody's Investors Service Ltd., at the date of the relevant Succession Event provided that in selecting any Replacement Reference Entity, the Calculation Agent is under no obligation to the Holders, the Issuer or any other person and, provided that the Successor selected meets the criteria specified above, is entitled, and indeed will endeavour, to select the least credit-worthy of the Successors. In making any selection, the Calculation Agent will not be liable to account to the Holders, the Issuer or any other person for any profit or other benefit to it or any of its affiliates which may result directly or indirectly from any such selection.

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

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

- (a) an authorised officer of a Reference Entity or a Governmental Authority:
  - (1) 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

- (2) declares or imposes a moratorium, standstill, roll-over or deferral, whether de facto or de jure, with respect to one or more Obligations in an aggregate amount of not less than the Default Requirement; and
- (b) a Failure to Pay, determined without regard to the Payment Requirement, or a Restructuring, determined without regard to the Default Requirement, with respect to any such Obligation occurs on or prior to the Repudiation/Moratorium Evaluation Date.

**"Repudiation/Moratorium Evaluation Date"** means, if a Potential Repudiation/Moratorium occurs on or prior to (in the case of Credit Certificates) the Redemption Date or (in the case of Credit Warrants) the Expiration Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix) Tokyo time)):

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

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

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

**"Restructuring"** means:

- (a) that, with respect to one or more Obligations and in relation to an aggregate amount of not less than the Default Requirement, any one or more of the following events occurs in a form that binds all holders of such Obligation, is agreed between the Reference Entity or a Governmental Authority and a sufficient number of holders of such Obligation to bind all holders of such Obligation or is announced (or otherwise decreed) by a Reference Entity or a Governmental Authority in a form that binds all holders of such Obligation, and such event is not expressly provided for under the terms of such Obligation in effect as of the later of the Credit Event Backstop Date and the date as of which such Obligation is issued or incurred:
  - (1) a reduction in the rate or amount of interest payable or the amount of scheduled interest accruals;
  - (2) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
  - (3) a postponement or other deferral of a date or dates for either (A) the payment or accrual of interest or (B) the payment of principal or premium;

- (4) a change in the ranking in priority of payment of any Obligation, causing the Subordination of such Obligation to any other Obligation; or
  - (5) any change in the currency or composition of any payment of interest or principal to any currency which is not a Permitted Currency.
- (b) Notwithstanding the provisions of paragraph (a) above, none of the following shall constitute a Restructuring:
  - (1) 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;
  - (2) the occurrence of, agreement to or announcement of any of the events described in sub-paragraph (a)(1) to (5) (inclusive) above due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
  - (3) the occurrence of, agreement to or announcement of any of the events described in sub-paragraph (a)(1) to (5) (inclusive) above in circumstances where such event does not directly or indirectly result from a deterioration in the creditworthiness or financial condition of the Reference Entity.
- (c) For the purposes of paragraphs (a) and (b) above and Credit Security Condition 8(d), the term "Obligation" shall be deemed to include Underlying Obligations for which the Reference Entity is acting as provider of a Qualifying Affiliate Guarantee or, if All Guarantees is specified as applicable in relation to a Reference Entity, as provider of any Qualifying Guarantee. In the case of a Qualifying Guarantee and an Underlying Obligation, references to the Reference Entity in paragraph (a) above shall be deemed to refer to the Underlying Obligor and the reference to the Reference Entity in paragraph (b) above shall continue to refer to the Reference Entity.

**"Restructuring Date"** means, with respect to a Restructured Bond or Loan, the date on which a Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring.

**"Restructuring Exercise Date"** means the date that is 65 Business Days following the Final List Publication Date.

**"Restructuring Maturity Limitation Date"** means, with respect to a Deliverable Obligation, the Limitation Date occurring on or immediately following the Relevant Date, provided that, in circumstances where the Relevant 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 Relevant 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 Relevant Date is later than:

- (i) either:
  - (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 Relevant Date.

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

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

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

**"Senior Obligation"** means, for the purposes of the definitions of "Subordination" and "Subordinated Obligation", an obligation of the Reference Entity to which the Subordinated Obligation is being compared.

**"Settlement Currency"** means the currency specified as such in the applicable Final Terms, or if no currency is so specified in the Final Terms, the Specified Currency.

**"Settlement Method"** means the settlement method specified as such in the Final Terms and if no Settlement Method is specified in the Final Terms, Auction Settlement.

**"Settlement Valuation Date"** means the date being three Credit Security Business Days prior to the Delivery Date provided that if a Notice of Physical Settlement is given or, as the case may be, changed at any time after the third Credit Security Business Day prior to the Physical Settlement Date, the Settlement Valuation Date shall be the date which is three Credit Security Business Days after such Notice of Physical Settlement is given.

**"Single Reference Entity Credit Certificate"** means Credit Certificates where the Issuer purchases credit protection from the Holders in respect of only one Reference Entity.

**"Single Reference Entity Credit Warrant"** means Credit Warrants where the Issuer sells credit protection to the Holders in respect of only one Reference Entity.

**"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 Restructured Deliverable Obligation"** means an Obligation of a Sovereign Reference Entity:

- (a) in respect of which a Restructuring that is the subject of the relevant Credit Event Notice has occurred; and
- (b) described by the Deliverable Obligation Category specified in relation to a Reference Entity,

and, subject as set out in the definition of "Deliverable Obligation Category", having each of the Deliverable Obligation Characteristics, if any, specified in the Final Terms, in each case, immediately preceding the date on which such Restructuring is legally effective in accordance with the terms of the documentation governing such Restructuring without regard to whether the Obligation would satisfy such Deliverable Obligation Category or Deliverable Obligation Characteristics after such Restructuring.

**"Specified Currency"** means, for the purposes of determining compliance with the Obligations Characteristics and Deliverable Obligation Characteristics only an obligation that is payable in the currency or currencies specified as such in relation to a Reference Entity (or, if Specified Currency is specified in the Final Terms and no currency is so specified, any of the Standard Specified Currencies.

**"Standard Specified Currencies"** means 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.

**"Subordinated Obligation"** means, for the purposes of the definitions of "Subordination" and "Senior Obligation", an obligation of the Reference Entity which is being compared to such Senior Obligation.

**"Subordination"** means, with respect to a Subordinated Obligation and a Senior Obligation, a contractual, trust or other 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 credit 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 applicable in relation to a Reference Entity, 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:

- (a) In the event that:
  - (1) a Reference Obligation is redeemed in whole; or
  - (2) in the opinion of the Calculation Agent:

- (i) the aggregate amounts due under any Reference Obligation have 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 a 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.
- (b) Any Substitute Reference Obligation or Substitute Reference Obligations shall be an Obligation that:
  - (1) ranks *pari passu* (or, if no such Obligation exists, then, at the Issuer's option, an Obligation that ranks senior) in priority of payment with the ranking in priority of payment of each of the Substitute Reference Obligations and such Reference Obligation (with the ranking in priority of payment of such Reference Obligation being determined as of the date on which such Reference Obligation was issued or incurred and not reflecting any change to such ranking in priority of payment after such later date);
  - (2) preserves the economic equivalent, as closely as practicable as determined by the Calculation Agent, of the delivery and payment obligations of the Credit Securities; and
  - (3) 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 applicable in relation to a Reference Entity, 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.
- (c) If more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under paragraph (a) above has occurred with respect to one or more but not all of the Reference Obligations, and the Calculation Agent determines 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.
- (d) If more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under paragraph (a) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines 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.
- (e) If:

- (1) more than one specific Reference Obligation is identified as a Reference Obligation, any of the events set forth under paragraph (a) above has occurred with respect to all of the Reference Obligations, and the Calculation Agent determines that no Substitute Reference Obligation is available for any of the Reference Obligations; or
  - (2) only one specific Reference Obligation is identified as a Reference Obligation in relation to the Credit Securities, any of the events set forth under paragraph (a) above has occurred with respect to such Reference Obligation and the Calculation Agent determines 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.
- (f) 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 Obligation into a different Obligation.

**"succeed"** for the purposes of the provisions relating to the determination of Successor and the definitions of "Successor" and "Succession Event", 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 sub-paragraph (a) of 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.

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 Succession Event Backstop Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)).

**"Succession Event Backstop Date"** means:

- (a) for purposes of any event that constitutes a Succession Event in relation to the Reference Entity, as determined by DC Resolution, the date that is 90 calendar days prior to the Succession Event Resolution Request Date (determined by reference to Greenwich Mean Time (or, if the Transaction Type of the relevant Reference Entity is Japan Corporate or Japan Sovereign (as such terms are defined in the Physical Settlement Matrix), Tokyo time)); or
- (b) otherwise, the date that is 90 calendar days prior to the earlier of:
  - (1) the date on which the Issuer determines that a Succession Event has occurred; and
  - (2) the Succession Event Resolution Request Date if:
    - (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 Issuer and/or the Calculation Agent determines, not more than fifteen Credit Security Business Days after the day on which ISDA publicly announces that the relevant Credit Derivatives Determinations Committee has Resolved not to determine such matters, that a Succession Event has occurred.

The Succession Event Backstop Date shall not be subject to adjustment in accordance with any Business Day Convention unless the parties specify in the Final Terms that the Succession Event Backstop Date will be adjusted in accordance with a specified Business Day Convention.

**"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 has occurred with respect to the relevant Reference Entity; and
- (b) if the relevant Credit Derivatives Determinations Committee Resolves that such event has occurred:
  - (1) with respect to a Reference Entity that is not a Sovereign, the legally effective date of such event; or
  - (2) 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.

**"Successor"** means in relation to any Reference Entity, each Successor that ISDA has publicly announced, including prior to the Trade Date, that the relevant Credit Derivatives Determinations Committee has Resolved is a Successor to the original Reference Entity pursuant to a Succession Event

that occurred on or following the Succession Event Backstop Date in accordance with the Rules; or if no Successor has been identified by a Credit Derivatives Determinations Committee:

- (a) in relation to a Reference Entity that is not a Sovereign, the entity or entities, if any, determined as set out below:
  - (1) if one entity directly or indirectly succeeds to 75 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 in respect of the relevant Reference Entity;
  - (2) if only one entity directly or indirectly succeeds to more than 25 per cent. (but less than 75 per cent.) of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remain with the Reference Entity, the entity that succeeds to more than 25 per cent. of the Relevant Obligations will be the sole Successor in respect of the relevant Reference Entity;
  - (3) if more than one entity each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and not more than 25 per cent. of the Relevant Obligations of the Reference Entity remains with the Reference Entity, the entities that succeed to more than 25 per cent. of the Relevant Obligations will each be a Successor;
  - (4) if one or more entities each directly or indirectly succeeds to more than 25 per cent. of the Relevant Obligations of the Reference Entity by way of a Succession Event, and more than 25 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;
  - (5) 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 25 per cent. of the Relevant Obligations of the Reference Entity and the Reference Entity continues to exist, there will be no Successor; and
  - (6) 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 25 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.
- (b) in relation to a Sovereign Reference Entity, any direct or indirect successor(s) to that Reference Entity irrespective of whether such successor(s) assumes any of the obligations of such Reference Entity.

In the case of paragraph (a) above, the Calculation Agent will be responsible for determining, as soon as reasonably practicable after it becomes aware of the relevant Succession Event (but no earlier than 14 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 out in sub-paragraphs (a)(1) to (6) (inclusive) above have been met, or which entity qualifies under sub-paragraph (a)(6) above,

as applicable. In calculating the percentages used to determine whether the relevant thresholds set out in paragraph (a) above have been met, or which entity qualifies under sub-paragraph (a)(6) above, as applicable, 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 and the Holders of such calculation; 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 sub-paragraph (a) above and sub-paragraphs (a) and (b) 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 any Hedge Transaction has occurred.

**"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 the European Bank for Reconstruction and Development.

**"Surviving Reference Entity"** has the meaning given to such term in Credit Security Condition 6(b)(ii) above.

**"T2"** means real time gross settlement system operated by the Eurosystem or any successor or replacement for that system.

**"T2 Settlement Day"** means any day on which T2 is open.

**"Trade Date"** means the date specified as such in the applicable Final Terms.

**"Transaction Auction Settlement Terms"** means, in respect of any Reference Entity and a related Credit Event, the Credit Derivatives Auction Settlement Terms published by ISDA in respect of such Credit Event and in respect of which the Notional Credit Derivative Transaction would be an Auction Covered Transaction.

**"Transaction Type"** means, unless otherwise specified in the Final Terms, each "Transaction Type" specified as such in the Physical Settlement Matrix from time to time.

**"Transferable"** means an obligation that is transferable to institutional investors without any contractual, statutory or regulatory restriction, provided that none of the following shall be considered contractual, statutory or regulatory restrictions:

- (a) contractual, statutory or regulatory restrictions that provide for eligibility for resale pursuant to Rule 144A or Regulation S promulgated under the United States Securities Act of 1933, as amended (and any contractual, statutory or regulatory restrictions promulgated under the laws of any jurisdiction having a similar effect in relation to the eligibility for resale of an obligation); or

- (b) restrictions on permitted investments such as statutory or regulatory investment restrictions on insurance companies and pension funds,

and, if specified as applicable to a Deliverable Obligation Category, the Transferable Deliverable Obligation Characteristic shall be applicable only in respect of obligations within that Deliverable Obligation Category that are not Loans.

**"Undeliverable Obligation"** means a Deliverable Obligation included in the Notice of Physical Settlement which, on the Settlement Date for such Deliverable Obligation, the Calculation Agent determines for any reason (including without limitation, failure by the Holder to deliver an Asset Transfer Notice, failure of the relevant clearance system or due to any law, regulation, court order or market conditions or the non-receipt of any requisite consents with respect to the Delivery of Loans) it is impossible or illegal to Deliver on the Settlement Date.

**"Undeliverable Valuation Date"** means the date that is five Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date.

**"Underlying Finance Instrument"** means where the LPN Issuer provides finance to the Reference Entity by way of a deposit, loan or other Borrowed Money instrument.

**"Underlying Loan"** means where the LPN Issuer provides a loan to the Reference Entity.

**"Underlying Obligation"** means an obligation in respect of which the Reference Entity has agreed to pay all the amounts due thereunder.

**"Underlying Obligor"** means, the party which is the actual obligor of an Underlying Obligation.

**"Unwind Costs"** means the amount specified in the applicable Final Terms or if "Standard Unwind Costs" are specified in the applicable Final Terms (or in the absence of such specification), an amount, subject to a minimum of zero, determined by the Calculation Agent equal to the sum of (without duplication) all costs, expenses (including loss of funding), tax and duties incurred by the Issuer in connection with the redemption, settlement, cancellation and/or termination of the Credit Securities and the related termination, settlement or re-establishment of any Hedge Transaction, such amount to be apportioned *pro rata* amongst the notional amount of each Credit Security equal to the Notional Amount set out in the applicable Final Terms.

**"Valuation Date"** means:

- (a) any Credit Security Business Day falling between the 1<sup>st</sup> and the 122<sup>nd</sup> Credit Security Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (b) if "Cash Settlement" is applicable as a Fallback Settlement Method, any Credit Security Business Day falling between the 1<sup>st</sup> and the 122<sup>nd</sup> Credit Security Business Day following the Event Determination Date, or, following any Auction Cancellation Date or No Auction Announcement Date, such later Credit Security Business Day, (in each case, as selected by the Calculation Agent in its sole and absolute discretion); or
- (c) if Partial Cash Settlement applies, the date which is up to fifteen Credit Security Business Days after the Latest Permissible Physical Settlement Date or, as applicable, the Extended Physical Settlement Date (as selected by the Calculation Agent in its sole and absolute discretion).

**"Valuation Obligation"** means, in respect of a Reference Entity, notwithstanding anything to the contrary in the Credit Security Conditions, one or more obligations of such Reference Entity (either directly or as provider of a Qualifying Guarantee or, as the case may be, Qualifying Affiliate Guarantee), which would constitute a "Deliverable Obligation" if Physical Settlement were the applicable Settlement Method as selected by the Issuer in its sole and absolute discretion on the applicable Valuation Date, provided that, for such purpose:

- (a) any reference to the words "Delivery Date" in the definitions of "Conditionally Transferable Obligation", "Deliverable Obligation", within any of the terms comprising "Deliverable Obligation Category" or "Deliverable Obligation Characteristic" and "Due and Payable Amount" shall be deemed to be a reference to the words "Relevant Valuation Date";
- (b) the deletion of the words "being Delivered" in the definition of "Deliverable Obligation"; and
- (c) the deletion of the whole of the second paragraph within the definition of "Not Contingent" and replacing it with the following:

"If an Obligation is a Convertible Obligation or an Exchangeable Obligation, then such Obligation may only be included in the Valuation Obligations Portfolio if the rights referred to in clauses (i) and (ii) above have not been exercised (or such exercise has been effectively rescinded) on or before the Relevant Valuation Date."

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

**"Valuation Obligations Portfolio"** means one or more Valuation Obligations of a Reference Entity selected by the Calculation Agent in its discretion, each in an Outstanding Principal Balance selected by the Calculation Agent in its sole and absolute discretion provided that the aggregate of such Outstanding Principal Balances (or in each case the equivalent in the Specified Currency thereof (converted at the foreign exchange rate prevailing on any date from (and including) the Event Determination Date to (and including) the Valuation Date, as selected by the Calculation Agent in its sole and absolute discretion)), shall not exceed the relevant Reference Entity Notional Amount.

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

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

**"Weighted Average Final Price"** means the weighted average of the Final Prices determined for each selected Valuation Obligation in the Valuation Obligations Portfolio, weighted by the outstanding amount of each such Valuation Obligation (or its equivalent in the Settlement Currency converted by the Calculation Agent in a commercially reasonable manner by reference to exchange rates in effect at the time of such determination).

**"Weighted Average Quotation"** means, in accordance with (in the case of Credit Certificates) the bid quotations or (in the case of Credit Warrants) the offer quotations provided by the Credit Security Dealers, the weighted average of firm quotations obtained from the Credit Security Dealers at the Valuation Time, to the extent reasonably practicable, each for an amount of the Reference Obligation, Deliverable Obligation or Undeliverable Obligation, as the case may be, with an Outstanding Principal Balance of as large a size as available but less than the Quotation Amount (in the case of Deliverable



Obligations only, 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.

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

### AUCTION SETTLEMENT TERMS ANNEX

If an Event Determination Date occurs with respect to the Credit Securities and Auction Settlement applies, the Auction Settlement Amount with respect to the Credit Securities will be calculated based on the Auction Final Price for the Reference Entity (if any). This Annex 11 contains a summary of certain provisions of the Form of Credit Derivatives Auction Settlement Terms set forth at Annex B to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions, published by the International Swaps and Derivatives Association, Inc. ("**ISDA**") on 12 March 2009 (the "**Form of Auction Settlement Terms**") and is qualified by reference to the detailed provisions thereof and is subject to amendment from time to time of the Rules, including any amendment following the 2009 ISDA Credit Derivatives Determinations Committees, Auction Settlement and Restructuring Supplement dated 14 July 2009, as published by ISDA (the "**July 2009 Supplement**"). The July 2009 Supplement extended the auction hardwiring process to Restructuring credit events. Following a Restructuring credit event, more than one auction may be held and there may be more than one Auction Final Price and credit default swaps are grouped into buckets by maturity and depending on which party triggers the credit default swap. Deliverable obligations will be identified for each bucket (any deliverable obligations included in a shorter bucket will also be deliverable for all longer buckets). If the Credit Derivatives Determinations Committee determines to hold an auction for a particular bucket, then that auction will be held according to the existing auction methodology that has previously been used for Bankruptcy and Failure to Pay credit events as described in the summary below, except that the deliverable obligations will be limited to those falling within the relevant maturity bucket.

The following does not purport to be a complete summary and prospective investors must refer to the Form of Auction Settlement Terms for detailed information regarding the auction methodology set forth therein (the "**Auction Methodology**"). The Auction and the Auction Methodology apply to credit default swaps on the Reference Entity and do not apply specifically to the Credit Securities. A copy of the Form of Auction Settlement Terms may be inspected at the offices of the Issuer and is also currently available at [www.isda.org](http://www.isda.org).

Holders should also be aware that this summary of the Form of the Auction Settlement Terms is accurate only as of the date hereof and the Form of Auction Settlement Terms may be amended from time to time without consultation with Holders. At any time after the date of this Annex 11, the latest Form of the Auction Settlement Terms will be available on the ISDA website at [www.isda.org](http://www.isda.org) (or any successor website thereto). Further, notwithstanding the fact that the form of Auction Settlement Terms (as may be amended from time to time) appears on the ISDA website, Holders should note that the Credit Derivatives Determinations Committees have the power to amend the form of Credit Derivatives Auction Settlement Terms for a particular auction and that this summary may therefore not be accurate in all cases.

Capitalized terms used but not defined in this summary have the meaning specified in the Rules and the Form of Auction Settlement Terms. All times of day in this summary refer to such times in London.

#### **Publication of Credit Derivatives Auction Settlement Terms**

Pursuant to the Credit Derivatives Determinations Committees Rules set forth in Annex A to the 2009 ISDA Credit Derivatives Determinations Committees and Auction Settlement Supplement to the 2003 ISDA Credit Derivatives Definitions (published on March 12, 2009) (the "**Rules**"), a Credit Derivatives Determinations Committee may determine that a Credit Event has occurred in respect of a Reference Entity (such entity, an "**Affected Reference Entity**") and that one or more auctions will be held in order to settle affected transactions referencing such Affected Reference Entity based upon an Auction Final Price determined in accordance with an auction procedure as set forth in the Form of Auction Settlement Terms (each, an "**Auction**"). If an Auction is to be held, the Credit Derivatives Determinations Committee will publish Credit Derivatives Auction Settlement

Terms in respect of the relevant Affected Reference Entity, based upon the Form of Auction Settlement Terms. In doing so, the Credit Derivatives Determinations Committee will make several related determinations, including the date on which the Auction will be held (the "**Auction Date**"), the institutions that will act as participating bidders in the Auction (the "**Participating Bidders**") and the supplemental terms that are detailed in Schedule 1 to the Form of Auction Settlement Terms. The Credit Derivatives Determinations Committee may also amend the Form of Auction Settlement Terms for a particular auction and may determine that a public comment period is necessary in order to effect such an amendment if such amendment is not contemplated by the Rules.

## **Auction Methodology**

### *Determining the Auction Currency Rate*

On the Auction Currency Fixing Date, the Administrators will determine the rate of conversion (each, an "**Auction Currency Rate**") as between the Relevant Currency and the currency of denomination of each Deliverable Obligation (each, a "**Relevant Pairing**") by reference to a Currency Rate Source or, if such Currency Rate Source is unavailable, by seeking mid-market rates of conversion from Participating Bidders (determined by each such Participating Bidder in a commercially reasonable manner) for each such Relevant Pairing. If rates of conversion are sought from Participating Bidders and more than three such rates are obtained by the Administrators, the Auction Currency Rate will be the arithmetic mean of such rates, without regard to the rates having the highest and lowest values. If exactly three rates are obtained, the Auction Currency Rate will be the rate remaining after disregarding the rates having the highest and lowest values. For this purpose, if more than one rate has the same highest or lowest value, then one of such rates shall be disregarded. If fewer than three rates are obtained, it will be deemed that the Auction Currency Rate cannot be determined for such Relevant Pairing.

### *Initial Bidding Period*

During the Initial Bidding Period, Participating Bidders will submit to the Administrators: (a) Initial Market Bids; (b) Initial Market Offers; (c) Dealer Physical Settlement Requests; and (d) Customer Physical Settlement Requests (to the extent received from customers).

Initial Market Bids and Initial Market Offers are firm quotations, expressed as percentages, to enter into credit derivative transactions in respect of the Affected Reference Entity on terms equivalent to the Representative Auction-Settled Transaction.

The Initial Market Bid and Initial Market Offer submitted by each Participating Bidder must differ by no more than the designated Maximum Initial Market Bid-Offer Spread and must be an integral multiple of the Relevant Pricing Increment (each as determined by the Credit Derivatives Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity). The Initial Market Bid must be less than the Initial Market Offer.

Dealer Physical Settlement Requests and Customer Physical Settlement Requests are firm commitments, submitted by a Participating Bidder, on its own behalf or on behalf of a customer, as applicable, to enter into a Representative Auction-Settled Transaction, in each case, as seller (in which case, such commitment will be a "**Physical Settlement Buy Request**") or as buyer (in which case, such commitment will be a "**Physical Settlement Sell Request**"). Each Dealer Physical Settlement Request must be, to the best of such Participating Bidder's knowledge and belief, in the same direction as, and not in excess of, its Market Position. Each Customer Physical Settlement Request must be, to the best of the relevant customer's knowledge and belief (aggregated with all Customer Physical Settlement Requests submitted by such customer), in the same direction as, and not in excess of, its Market Position.

If the Administrators do not receive valid Initial Market Bids and Initial Market Offers from at least a minimum number of Participating Bidders (as determined by the Credit Derivatives Determinations Committee and

specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity), the timeline will be adjusted and the Initial Bidding Period extended, with the Auction recommencing at such time(s) specified by the Administrators, otherwise it will proceed as follows.

#### *Determination of Open Interest, Initial Market Midpoint and Adjustment Amounts*

The Administrators will calculate the Open Interest, the Initial Market Midpoint and any Adjustment Amounts in respect of the Auction.

The Open Interest is the difference between all Physical Settlement Sell Requests and all Physical Settlement Buy Requests.

To determine the Initial Market Midpoint, the Administrators will: (a) sort the Initial Market Bids in descending order and the Initial Market Offers in ascending order, identifying non-tradeable markets for which bids are lower than offers; (b) sort non-tradeable markets in terms of tightness of spread between Initial Market Bid and Initial Market Offer; and (c) identify that half of the non-tradeable markets with the tightest spreads. The Initial Market Midpoint is determined as the arithmetic mean of the Initial Market Bids and Initial Market Offers contained in the half of non-tradeable markets with the tightest spreads.

Any Participating Bidder whose Initial Market Bid or Initial Market Offer forms part of a tradeable market will be required to make a payment to ISDA on the third Business Day after the Auction Final Price Determination Date (an "**Adjustment Amount**"), calculated in accordance with the Auction Methodology. Any payments of Adjustment Amounts shall be used by ISDA to defray any costs related to any auction that ISDA has coordinated, or that ISDA will in the future coordinate, for purposes of settlement of credit derivative transactions.

If for any reason no single Initial Market Midpoint can be determined, the procedure set out above may be repeated.

At or prior to the Initial Bidding Information Publication Time on any day on which the Initial Bidding Period has successfully concluded, the Administrators publish the Open Interest, the Initial Market Midpoint and the details of any Adjustment Amounts in respect of the Auction.

If the Open Interest is zero, the Auction Final Price will be the Initial Market Midpoint.

#### *Submission of Limit Order Submissions*

In the event that the Open Interest does not equal zero, a subsequent bidding period will be commenced during the Initial Bidding Period which: (a) if the Open Interest is an offer to sell Deliverable Obligations, Participating Bidders submit Limit Bids; or (b) if the Open Interest is a bid to purchase Deliverable Obligations, Limit Offers, in each case, on behalf of customers and for their own account.

#### *Matching bids and offers*

If the Open Interest is a bid to purchase Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Offers and Limit Offers, as further described in the Auction Methodology. If the Open Interest is an offer to sell Deliverable Obligations, the Administrators will match the Open Interest against all Initial Market Bids and Limit Bids, as further described in the Auction Methodology.

#### **(a) Auction Final Price when the Open Interest is Filled**

The Auction Final Price will be the price associated with the matched Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, that is the highest offer or the lowest bid, as applicable, provided that: (a) if the Open Interest is an offer to sell and the price associated with the

lowest matched bid exceeds the Initial Market Midpoint by more than the "Cap Amount" (being the percentage that is equal to one half of the Maximum Initial Market Bid-Offer Spread (rounded to the nearest Relevant Pricing Increment)), then the Auction Final Price will be the Initial Market Midpoint plus the Cap Amount; and (b) if the Open Interest is a bid to purchase and the Initial Market Midpoint exceeds the price associated with the highest offer by more than the Cap Amount, then the Auction Final Price will be the Initial Market Midpoint minus the Cap Amount.

**(b) Auction Final Price when the Open Interest is Not Filled**

If, once all the Initial Market Bids and Limit Bids or Initial Market Offers and Limit Offers, as applicable, have been matched to the Open Interest, part of the Open Interest remains, the Auction Final Price will be: (a) if the Open Interest is a bid to purchase Deliverable Obligations, the greater of (i) zero, and (ii) the highest Limit Offer or Initial Market Offer received; or (b) if the Open Interest is an offer to sell Deliverable Obligations, zero.

100 per cent. Cap to Auction Final Price

In all cases, if the Auction Final Price determined pursuant to the Auction Methodology is greater than 100 per cent., then the Auction Final Price will be deemed to be 100 per cent.

*Publication of Auction Final Price*

At or prior to the Subsequent Bidding Information Publication Time on any day on which the subsequent bidding period has successfully concluded, the Administrators will publish on their websites: (a) the Auction Final Price; (b) the names of the Participating Bidders who submitted bids, offers, valid Dealer Physical Settlement Requests and valid Customer Physical Settlement Requests, together with the details of all such bids and offers submitted by each; and (c) the details and size of all matched trades.

**Execution of Trades Formed in the Auction**

Each Participating Bidder whose Limit Bid or Initial Market Bid (or Limit Offer or Initial Market Offer if applicable) is matched against the Open Interest, and each Participating Bidder that submitted a Customer Physical Settlement Request or Dealer Physical Settlement Request, is deemed to have entered into a Representative Auction-Settled Transaction, and each customer that submitted such a Limit Bid, Limit Offer, or Physical Settlement Request is deemed to have entered into a Representative Auction-Settled Transaction with the dealer through whom the customer submitted such bid or offer. Accordingly, each such Participating Bidder or customer that is a seller of Deliverable Obligations pursuant to a trade formed in the auction must deliver to the buyer to whom such Participating Bidder or customer has been matched a Notice of Physical Settlement indicating the Deliverable Obligations that it will deliver, and such Deliverable Obligations will be sold to the buyer in exchange for payment of the Auction Final Price.

**Timing of Auction Settlement Provisions**

If an Auction is held in respect of an Affected Reference Entity, it is expected that the relevant Auction Date will occur on the third Business Day immediately prior to the 30th calendar day after which the relevant Credit Derivatives Determinations Committee received the request from an eligible market participant (endorsed by a member of the relevant Credit Derivatives Determinations Committee) to resolve whether a Credit Event has occurred with respect to such Reference Entity.

In respect of an Affected Reference Entity for which an Auction is held, the Auction Settlement Date will occur on a Business Day following the Auction Final Price Determination Date, as determined by the Credit Derivatives

Determinations Committee and specified in the Credit Derivatives Auction Settlement Terms in respect of the relevant Affected Reference Entity.

## **PART B**

This Part B shall only apply if the Final Terms of the Certificates specify that Part B of Annex 11 apply. Where this Part B applies, for the avoidance of doubt, the terms of Part A of Annex 11 shall not apply to the Certificates. This Part B shall not apply to Credit Warrants.

### **1. General**

The Final Terms shall specify:

- (i) the Reference Entity;
- (ii) the Trade Date; and
- (iii) the Redemption Date.

### **2. Redemption**

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

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

- (i) an Automatic Early Redemption Event has occurred (if applicable);
- (ii) the Credit Certificates have been previously redeemed or purchased or cancelled in full (including pursuant to Credit Security Condition 2(b)); or
- (iii) a Credit Event occurs and the Conditions to Settlement are satisfied in respect of such Credit Event, in which event the Issuer shall redeem the Credit Certificates in accordance with Credit Security Condition 2(b).

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

Upon the satisfaction of the Conditions to Settlement in relation to each Reference Entity, each Certificate will be redeemed at the Credit Event Settlement Amount on the Cash Settlement Date in full satisfaction of the Issuer's obligations under such Credit Certificate.

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

Any amount payable under Credit Security Condition 2(b) shall be rounded downwards to the nearest sub-unit of the relevant currency.

### **3. Interest**

#### **(a) Cessation of Interest Accrual**

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

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

(b) **Interest following Scheduled Maturity**

Subject always to Credit Security Condition 3(a), unless specified otherwise in the applicable Final Terms, if an Extension Notice has been given, no interest will accrue on each Credit Certificate which is outstanding from, and including, the Redemption Date to, and including, the related Credit Security Settlement Date.

(c) **Interest Payment Dates**

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

(d) **General**

For the avoidance of doubt, this Credit Security Condition 3 shall apply only where the Final Terms specify that the Credit Certificates bear interest.

**4. Satisfaction of the Conditions to Settlement**

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

**5. Miscellaneous Provisions relating to Credit Certificates**

(a) **Hedge Counterparty**

The Issuer will procure that the Hedge Counterparty uses reasonable endeavours to obtain from the Reference Entity payment of the amount specified in the Unwind Notice and all amounts standing to the credit of the Deposit.

(b) **Determinations of the Calculation Agent**

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Credit Certificates shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor (if applicable) and the Holders. In performing its duties pursuant to these Credit Security Conditions, the Calculation Agent shall act in its sole and absolute discretion acting reasonably and in good faith. Whenever the Calculation Agent is required to make any determination it may, *inter alia*, decide issues of construction and legal interpretation. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Credit Certificates including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor (if applicable) shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.



(c) **Delivery of Notices**

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

**6. Definitions**

The following definitions shall apply to the Credit Certificates.

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

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

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

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

**"Certificate Value"** means the fair market value of the Certificate immediately prior to the occurrence of the Credit Event expressed as a percentage of the Notional Amount of the Certificate as determined by the Calculation Agent in its sole discretion and, in respect of such determination, that the Calculation

Agent shall ignore the credit-linked component and credit linked provisions of the Certificate for the purposes of such valuation.

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

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

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

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into the Reference Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to the Reference Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Determination Date"** means the first date on which a Credit Event Notice is effective.

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

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

NA x (Certificate Value – Redemption Adjustment).

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

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

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

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

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

**"Distributor"** means the Reference Entity.

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

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

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

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

**"Failure to Pay"** means, after the expiration of the Grace Period, the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement under the Reference Obligation in accordance with the terms of such Reference Obligation at the time of such failure.

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

- (a)
  - (i) the amount received by the Hedge Counterparty from the Reference Entity in relation to the Reference Obligation in the period from, and including, the day on which the relevant Credit Event occurred to, and including, the last day in the Credit Event Valuation Period; or
  - (ii) if the Hedge Counterparty in its sole discretion acting in a commercially reasonable manner elects to transfer its rights in respect of the Reference Obligation to a third party (which may be an affiliate of the Hedge Counterparty) on an arm's length basis and the Hedge Counterparty effects a transfer of such rights on or prior to the last day in the Credit Event Valuation Period, the amount received from the third party to which the Hedge Counterparty has been able to transfer its rights related to the Reference Obligation less any costs or expenses incurred in or relating to such transfer;
- (b) where the Valuation Extension Condition is satisfied, the amount paid by the Reference Entity to the Hedge Counterparty in relation to the Reference Obligation on or prior to the last Business Day of the Extended Valuation Period; and

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

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

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

**"Hedge Counterparty"** means, unless specified otherwise in the applicable Final Terms, BNP Paribas Arbitrage S.N.C.

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

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

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

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

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

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

**"Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement in respect of the Reference Obligation, without regard to any grace period or any conditions precedent to the commencement of any grace period applicable to the Reference Obligation, in accordance with the terms of the Reference Obligation at the time of such failure.

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

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

**"Reference Obligation Notional Amount"** or **"RONA"** means an amount placed on deposit with the Reference Entity by the Hedge Counterparty upon issue of the Certificates, as reduced by an amount equal to any withdrawals made by the Hedge Counterparty from the Deposit from time to time or increased by any cash transfers made by the Hedge Counterparty into the Deposit from time to time.

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

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

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

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

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

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

## ANNEX 12

### ADDITIONAL TERMS AND CONDITIONS FOR SECURED SECURITIES

The terms and conditions applicable to Secured Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and such other additional Terms and Conditions specified in the Final Terms (the "**Additional Conditions**") and the additional Terms and Conditions set out below (the "**Collateral Security 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 Additional Conditions and the Collateral Security Conditions, the Collateral Security Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions, the Additional Conditions and/or the Collateral Security Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Additional Security Document**" means any security document which is entered into by the Issuer in respect of a Collateral Pool in addition to a Pledge Agreement;

"**Aggregate Cash Settled Final Security Value**" means, in respect of a Collateral Pool, the sum of the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Collateral Cash Settlement is applicable;

"**Aggregate Collateral Proceeds Share**" means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Realisation Amount in respect of the Collateral Pool which secures such series of Secured Securities;

"**Aggregate Delivery Share**" means, in respect of a series of Secured Securities, the product of the Collateral Percentage applicable to such series of Secured Securities and the Collateral Assets Value in respect of the Collateral Pool which secures such series of Secured Securities;

"**Aggregate Final Security Value**" means, in respect of a series of Securities, the aggregate of the Final Security Values of each Secured Security in such series of Secured Securities;

"**Aggregate Physically Settled Final Security Value**" means, in respect of a Collateral Pool, the Aggregate Final Security Values of each series of Secured Securities secured by such Collateral Pool to which Physical Delivery of Collateral is applicable;

"**Alternative Security Document**" means any security document which is entered into by the Issuer in respect of a Collateral Pool as an alternative to a Pledge Agreement;

"**BNPP Holding**" means, at any time, in respect of a series of Secured Securities, the number of Secured Securities held by the Issuer and/or any Affiliate(s) of the Issuer;

"**Cash Portion Percentage**" means in respect of a Collateral Pool, the amount (expressed as a percentage) equal to the Aggregate Cash Settled Final Security Value applicable to such Collateral Pool divided by Pool Aggregate Final Security Value;

"**Cash Settled Portion**" means an amount equal to the product of the Cash Portion Percentage and the Collateral Assets Value;

"**Cash Settled Portion Assets**" means Collateral Assets in a nominal amount equal to the Cash Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable)

or with a marked to market value equal to the Cash Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Collateral Account"** has the meaning given to it in Collateral Security Condition 3.2;

**"Collateral Agent"** means BNP Paribas Trust Corporation UK Limited, or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-agent of, or any other entity appointed by the Collateral Agent;

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

**"Collateral Assets"** means any Eligible Collateral, including any Initial Collateral Assets specified in the applicable Final Terms (if any) and any Eligible Collateral delivered to the Collateral Custodian as additional or alternative Collateral Assets, together with, in each case, any accrued interest, redemption proceeds, income or other assets derived from such Eligible Collateral to the extent held in the relevant Collateral Account but shall not include any Collateral Assets which have been withdrawn from a Collateral Account in accordance with the relevant Pledge Agreement and the Agency Agreement;

**"Collateral Assets Value"** means, in respect of a Collateral Pool, (i) an amount equal to the aggregate nominal amount of Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool where Nominal Value Collateralisation and/or Partial Nominal Value Collateralisation are applicable to each series of Secured Securities secured by the relevant Collateral Pool or (ii) an amount equal to the aggregate marked to market value (as determined by the Collateral Agent) of the Collateral Assets held by the Issuer in the Collateral Account in respect of such Collateral Pool, where MTM Collateralisation and/or Partial MTM Collateralisation are applicable to each series of the Secured Securities secured by the relevant Collateral Pool;

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

**"Collateral Cash Settlement"** means, following the occurrence of an Enforcement Event, realisation of all or certain of the Collateral Assets is to take place in accordance with Collateral Security Condition 3.3 and Collateral Cash Settlement shall apply to each series of Secured Securities where the Final Terms provide that it shall apply;

**"Collateral Custodian"** means BNP Paribas, Succursale de Luxembourg and/or such other entity as is specified in the applicable Final Terms, and, if applicable, any sub-custodian of, or any other entity appointed by the Collateral Custodian;

**"Collateral Delivery Date"** means, in respect of a Collateral Pool, the date scheduled by the Collateral Agent to be the date on which the Collateral Agent intends to deliver the Collateral Assets in such Collateral Pool to Holders in accordance with Collateral Security Condition 3.6;

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

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

**"Collateral Enforcement Proceeds"** means the net proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool following payment of all Enforcement Expenses;

**"Collateral Percentage"** means, in respect of a series of Secured Securities, the amount (expressed as a percentage) equal to the Aggregate Final Security Value applicable to such series of Secured Securities divided by the Pool Aggregate Final Security Value applicable to the Collateral Pool which secures such series of Secured Securities;

**"Collateral Pool"** means a pool of Collateral Assets (including a cash deposit) held in a Collateral Account which secure one or more series of Secured Securities as specified in the applicable Final Terms;

**"Collateral Proceeds Share"** means, in respect of a series of Secured Securities, the pro rata share of a Secured Security within such series in the Aggregate Collateral Proceeds Share applicable to such series of Secured Securities;

**"Collateral Settlement Disruption Event"** means due to an event beyond the control of the Collateral Agent, the Collateral Agent determines it is impossible or illegal for the Collateral Agent to deliver the relevant Entitlement to a Holder on the related Collateral Delivery Date due to failure of the relevant clearance system or due to any law, regulation, court order or market conditions;

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

**"Collateral Split Rounding Amount"** has the meaning given to it in Collateral Security Condition 3.8(c)(ii);

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

**"Collateral Value"** means the Cash Collateral Value or the Securities Collateral Value, as the case may be;

**"Collective Investment Scheme"** means any scheme or arrangement made or offered by any company, under which the contributions or payments made by investors are pooled and utilised with a view to receiving profits, income, property or other benefit and managed on behalf of investors;

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

**"Default Notification"** means the delivery of a written notice by a Holder to each of the Issuer, the Principal Security Agent, the Collateral Agent, the Swap Counterparty (if any) and the Repo Counterparty (if any) specifying that an Event of Default has occurred in accordance with Collateral Security Condition 6.1;

**"Dispute Period"** means the period commencing on the day on which the Collateral Agent receives a Default Notification and ending at 5:00 pm (Paris time) on the fifth Business Day following such receipt;

**"Eligible Collateral"** means assets which may comprise a cash deposit, bonds or notes listed on a regulated market, shares listed on a regulated market, shares, units or other interests in a Collective Investment Scheme and/or other assets of the type or types specified as such in the applicable Final Terms and which are specified in the applicable Final Terms to be Eligible Collateral for the relevant Collateral Pool;



**"Enforcement Event"** means the delivery of an Enforcement Notice by the Collateral Agent to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any);

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

**"Enforcement Notice"** means a notice specifying that a Default Notification has been received from a Holder and no Event Dispute Notice has been received from the Issuer within the Dispute Period with respect to such Default Notification and that, as a result, the Secured Securities are immediately due and payable;

**"Event Dispute Notice"** means a notice from the Issuer to the Collateral Agent following receipt of a Default Notification specifying that the Issuer reasonably believes that the Event(s) of Default which are the subject of such Default Notification have not occurred, together with reasonable evidence supporting the Issuer's belief (including a description in reasonable detail of the facts relevant to the determination that an Event of Default has not occurred);

**"Final Security Value"** means, in respect of a Secured Security (a) if MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event, (b) if Partial MTM Collateralisation is specified as applicable in the Final Terms relating thereto, the product of (i) the marked to market value of the relevant Secured Security, as determined for the purposes of Collateral Security Condition 3.2 as at the Collateral Valuation Date for the relevant Collateral Pool immediately prior to the occurrence of the Enforcement Event and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities, (c) if Nominal Value Collateralisation is specified as applicable in the Final Terms relating thereto, the relevant Secured Security's nominal value or (d) if Partial Nominal Value Collateralisation is specified as applicable in the applicable Final Terms relating thereto, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Haircut"** means a percentage by which the market value of a Collateral Asset is discounted to mitigate possible depreciation in the value of the relevant Collateral Asset in the period between the last valuation of such Collateral Asset and the realisation of such Collateral Asset.

**"Initial Collateral Assets"** has the meaning given to it in the applicable Final Terms;

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

**"Limited Diversification"** means, where specified to be applicable in the applicable Final Terms, that the Collateral Assets within the relevant Collateral Pool are not diversified;

**"MTM Value"** means, in respect of a Secured Security, the marked to market value of such Secured Security (taking into account all factors which the Collateral Agent determines relevant) immediately prior to the occurrence of an Enforcement Event, provided that no account shall be taken of the financial condition of (i) the Issuer which shall be deemed to be able to perform fully its obligations in respect of the Secured Securities or (ii) the Guarantor which shall be deemed to be able to perform fully its obligations in respect of the Guarantee and provided further that where the relevant Secured Security is

one to which Cash Settlement is applicable and is a Secured Security in respect of which the Relevant Settlement Date is due to occur on or prior to the date on which the Enforcement Event occurred, the marked to market value of the Secured Security, for the purpose of determining such amount, may not be less than the Relevant Settlement Amount payable in respect thereof;

**"nominal value"** means, in respect of any Secured Security which is a Certificate, the Notional Amount of such Secured Security or, where such Secured Security is a Debt Security, its Nominal Amount;

**"Partial Collateralisation Level"** means the percentage specified as such in the applicable Final Terms;

**"Partial Nominal Amount"** means, in respect of a Secured Security, the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

**"Physical Delivery of Collateral"** means, following the occurrence of an Enforcement Event, Collateral Assets are to be delivered to the Holders of Secured Securities in accordance with Collateral Security Condition 3.6 and shall only apply to a series of Secured Securities where "Physical Delivery of Collateral" is specified as applicable in the applicable Final Terms;

**"Physical Portion Assets"** means Collateral Assets in a nominal amount equal to the Physically Settled Portion (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation is applicable) or with a marked to market value equal to the Physically Settled Portion (where MTM Collateralisation or Partial MTM Collateralisation is applicable);

**"Physical Portion Percentage"** means, in respect of a Collateral Pool, the amount expressed as a percentage, equal to the Aggregate Physically Settled Final Security Value applicable to such Collateral Pool divided by the Pool Aggregate Final Security Value;

**"Physically Settled Portion"** means an amount equal to the product of the Physical Portion Percentage and the Collateral Asset Value;

**"Placed Secured Securities"** means, at any time, the number of Secured Securities outstanding less the number of any Secured Securities which form part of the BNPP Holding at such time;

**"Pledge"** means the Security Interests created, or intended to be created at any time in favour of the Collateral Agent on behalf of the relevant Holders under the Pledge Agreement relating to a Collateral Pool;

**"Pledge Agreement"** is as defined in Collateral Security Condition 3.2;

**"Pool Aggregate Final Security Value"** means, in respect of a Collateral Pool, the aggregate of the Final Security Values of each Secured Security which is secured by such Collateral Pool;

**"Priority of Payments"** means, in respect of a series of Secured Securities and if specified as applicable in the Final Terms relating thereto, the order of priority in which payments will be made using the Collateral Enforcement Proceeds in respect of such series of Secured Securities, as set out in the applicable Final Terms;

**"Realisation Amount"** means the net proceeds of realisation of, or enforcement with respect to, the Collateral Assets in a Collateral Pool following payment of all Enforcement Expenses and, where applicable, following payment of any amount which is payable in priority to amounts due in respect of the Secured Securities which are secured by such Collateral Pool in accordance with the Priority of Payments;

**"Relevant Settlement Amount"** means Cash Settlement Amount, Optional Redemption Amount, Collateral Early Settlement Amount or Credit Event Redemption Amount, as the case may be;

**"Relevant Settlement Date"** means Cash Settlement Date, Optional Redemption Date or Settlement Date, as the case may be;

**"Repayable Assets"** has the meaning given to it in Collateral Security Condition 7.2(c);

**"Rounding Amount"** means the aggregate of the Collateral Delivery Rounding Amount and the Collateral Split Rounding Amount payable to a Holder in respect of a Secured Security;

**"Securities Collateral Value"** has the meaning given to it in Collateral Security Condition 3.2(a);

**"Securities Value"** means an amount equal to the sum of, in respect of each series of Secured Securities secured by the same Collateral Pool, (i) the marked to market value of the Secured Securities where MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (ii) the product of (A) the marked to market value of the Secured Securities and (B) the relevant Partial Collateralisation Level where Partial MTM Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, (iii) the aggregate nominal value of the Secured Securities if such Secured Securities are Certificates and where Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities or (iv) the product of (A) the aggregate nominal value of the Secured Securities and (B) the relevant Partial Collateralisation Level if such Secured Securities are Certificates and where Partial Nominal Value Collateralisation is specified in the applicable Final Terms as applicable to such series of Secured Securities, provided that any Secured Securities which are, on the relevant Collateral Valuation Date, beneficially owned by BNPP B.V. or any of its Affiliates shall be disregarded as if they did not exist for the purposes of determining such amount;

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

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

**"Security Termination Amount"** means, in respect of a Secured Security, an amount determined by the Collateral Agent equal to:

- (a) if Security Value Termination Amount is specified in the applicable Final Terms, the MTM Value of such Secured Security;
- (b) if Security Value Realisation Proceeds is specified in the applicable Final Terms, such Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the MTM Value of such Secured Security;
- (c) if Nominal Value Realisation Proceeds is specified in the applicable Final Terms and such Secured Security is a Certificate, the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the nominal value of such Secured Security;
- (d) if Partial Nominal Value Realisation Proceeds is specified in the applicable Final Terms and such Secured Security is a Certificate, the Secured Security's pro rata share of the Realisation Amount subject to a maximum amount equal to the product of (i) the nominal value of such Secured Security and (ii) the Partial Collateralisation Level applicable to the relevant series of Secured Securities;

- (e) if Nominal Value Amount is specified in the applicable Final Terms and such Secured Security is a Certificate, the nominal value of such Secured Security;
- (f) if Shortfall Value Amount is specified in the applicable Final Terms and such Secured Security is a Certificate, the sum of (i) the lower of (A) such Secured Security's pro rata share of the Realisation Amount and (B) the product of (I) the nominal value of such Secured Security and (II) the Partial Collateralisation Level applicable to the relevant series of Secured Securities and (ii) an amount, subject to a minimum of zero, equal to the MTM Value of such Secured Security less the Partial Nominal Amount; or
- (g) the amount specified as such in the Final Terms applicable to such Secured Security;

"**Shortfall**" is as defined in Collateral Security Condition 3.5; and

"**Undeliverable Collateral Assets**" means Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Disruption Event.

## 2. General

### 2.1 Collateral Calculation Agent

BNP Paribas Arbitrage S.N.C. shall undertake the duties of Collateral Calculation Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral calculation agent in the applicable Final Terms. The expression "Collateral Calculation Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral calculation agent.

### 2.2 Collateral Agent

BNP Paribas Trust Corporation UK Limited shall undertake the duties of Collateral Agent in respect of the Secured Securities as set out below and in the applicable Final Terms unless another entity is so specified as collateral agent in the applicable Final Terms. The expression "Collateral Agent" shall, in relation to the relevant Secured Securities, include such other specified collateral agent.

### 2.3 Pledge Agreement

The Pledge Agreement will, unless otherwise specified in the applicable Final Terms, be governed by Luxembourg law and General Conditions 14.1 and 14.2 shall be construed accordingly. Any Alternative Security Document or Additional Security Document will be governed by the law specified in the applicable Final Terms.

## 3. Status of the Secured Securities, Security and Guarantee

### 3.1 Status

General Condition 3 shall not apply to the Secured Securities. The Secured Securities are unsubordinated and secured obligations of the Issuer and rank *pari passu* among themselves.

### 3.2 Security

The obligations of the Issuer in respect of the Secured Securities will be secured by one or more pledge agreements between the Issuer and the Collateral Agent (each a "**Pledge Agreement**") pursuant to which

the Issuer will grant a first ranking security interest in favour of the Collateral Agent, for itself and the Holders of the Secured Securities which are to be secured by the relevant Collateral Pool, over all the Issuer's rights in, and, to the Collateral Assets delivered to each of the Collateral Custodians appointed in respect of the relevant Collateral Pool and held from time to time in the relevant account(s) established with the Collateral Custodian(s) for such purpose (such account(s), the "**Collateral Account**"). The Issuer will not deliver Eligible Collateral to the Collateral Account in connection with Secured Securities in respect of which the Issuer or any of its Affiliates are the beneficial owner. In addition to, or as an alternative to, a Pledge Agreement, the Issuer may also enter into an Additional Security Document or Alternative Security Document in respect of a Collateral Pool as specified in the applicable Final Terms in order to secure its obligations in respect of the Secured Securities and references in Collateral Security Condition 1 and hereinafter to "Pledge Agreement" and "Pledges" shall be construed as if they also refer to such Alternative Security Documents and/or Additional Security Documents. Unless the applicable Final Terms specify that there is no Collateral Calculation Agent and/or no Collateral Valuation Dates in respect of a series of Secured Securities and related Collateral Pool:

- (a) where the Collateral Assets are securities, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets with an aggregate marked to market value (as determined by the Collateral Calculation Agent and which will take into account a Haircut if "Haircut" is specified as applicable in the applicable Final Terms) (the "**Securities Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool; and
- (b) where the Collateral Assets are a cash deposit or deposits, the Issuer will transfer Collateral Assets to and from the Collateral Account (based on the most recent valuation of the relevant series of Secured Securities provided by the Collateral Calculation Agent in respect of a Collateral Valuation Date) so that it will hold, in respect of a Collateral Pool, Collateral Assets in an amount (the "**Cash Collateral Value**") at least equal to the Securities Value (as determined in respect of such Collateral Valuation Date) applicable to the relevant Collateral Pool.

For the avoidance of doubt, where no Collateral Calculation Agent and/or no Collateral Valuation Dates are specified in the applicable Final Terms for a Collateral Pool, there will be no adjustment made by the Issuer to the amount of Collateral Assets held by the Issuer in the relevant Collateral Account and the Collateral Value and Securities Value will not be calculated on an ongoing basis during the terms of the relevant Secured Securities which are secured by the relevant Collateral Pool.

Where the Final Terms in respect of a series of Secured Securities specify that "Single Series Pool" will be applicable to the series of Secured Securities, such series of Secured Securities will be the only series of Secured Securities to be secured by the relevant Collateral Pool. Where the Final Terms specify that "Multiple Series Pool" will be applicable to the relevant series of Secured Securities, such series of Secured Securities may be secured by a Collateral Pool which secures more than one series of Secured Securities.

### 3.3 Realisation of Collateral Assets

If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge(s) and, unless Physical Delivery of Collateral is specified as applicable in the applicable Final Terms, realise the Collateral Assets in each Collateral Pool (and may appoint one or more agents to assist it to do so) provided that the Collateral Agent need not take such action if it reasonably believes that it would not be able to recover the costs or other liabilities which would be incurred in connection with such action from the relevant

Collateral Assets or otherwise or would experience an unreasonable delay in doing so. The Collateral Agent will not have any liability as to the consequences of such action and will not have regard to the effect of such action on individual Holders. Any reference in Collateral Security Conditions 3.3-3.8 (inclusive), Collateral Security Condition 6 and Collateral Security Condition 7 to the Collateral Agent shall also be deemed to be a reference to any agent which it appoints to assist it. Where the Collateral Agent is required to dispose of any Collateral Assets on behalf of the Issuer then:

- (a) the Collateral Agent shall seek firm bid quotations from at least three dealers in assets such as the relevant Collateral Assets (and, for such purpose, it may seek quotations in respect of such Collateral Assets in their entirety or in respect of designated tranches thereof, as it considers appropriate);
- (b) the Collateral Agent may itself provide a bid in respect of the relevant Collateral Assets or any tranche thereof; and
- (c) it shall and shall be authorised to accept in respect of each relevant tranche or, as applicable, the entirety of the relevant Collateral Assets the highest such quotation so obtained (which may be a quotation from the Collateral Agent).

Subject as may otherwise be provided for in these Collateral Security Conditions or the Final Terms, in effecting the sales, the Collateral Agent may sell the Collateral Assets in one single tranche or in smaller tranches as it considers appropriate in order to attempt reasonably to maximise the proceeds from such sale. The Collateral Agent may effect sales of the Collateral Assets (i) on any national securities exchange or quotation service on which the Collateral Assets may be listed or quoted, (ii) in the over-the-counter market or (iii) in transactions otherwise than on such exchanges or in the over-the-counter market. If (A) the Collateral Agent is unable to obtain any quotations for the sale of the Collateral Assets or (B) the Collateral Agent is offering to buy the Collateral Assets itself for its own account for a price equal to or higher than the best quotation from a third party, the Collateral Agent may effect sales of the Collateral Assets to itself.

#### 3.4 Application of proceeds

Following payment of (a) all amounts due to the Collateral Agent and/or any agent appointed by it to assist in the enforcement of the Pledge(s) and realisation of the Collateral Assets, including any Enforcement Expenses and (b) any other amounts which are payable in accordance with, and in the order set out in, the applicable Priority of Payments (if any), the remaining proceeds from the realisation of the Collateral Assets in a Collateral Pool will be applied in meeting the claims of Holders under the Secured Securities which are secured by the relevant Collateral Pool on a *pari passu* basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share provided that a Holder shall not be entitled to receive an amount in respect of a Secured Security greater than the Security Termination Amount determined with respect to such Secured Security.

#### 3.5 Shortfall

In the event that, following the application of the Collateral Enforcement Proceeds in accordance with Collateral Security Condition 3.4, the amount paid to a Holder in respect of a Secured Security held by him (a "**Security Realised Amount**") is less than the Security Termination Amount determined with respect to such Secured Security (the difference being referred to as a "**Shortfall**"), the Issuer shall remain liable for such Shortfall, but any such Holder shall not have recourse to any Collateral Pool other than the Collateral Pool applicable to that series of Secured Securities.

### 3.6 Physical Delivery of Collateral Assets

Where "Physical Delivery of Collateral" is specified in the applicable Final Terms, following enforcement of the Pledge(s), the Collateral Agent, will deliver the Collateral Assets in a Collateral Pool to each Holder of a Secured Security secured by the relevant Collateral Pool in a nominal amount equal to the Delivery Share applicable to such Secured Security on a *pari passu* basis (where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the relevant Secured Securities) or with a marked to market value equal to the Delivery Share applicable to such Secured Security on a *pari passu* basis (where MTM Collateralisation or Partial MTM Collateralisation apply to the relevant Secured Securities). Delivery of such Collateral Assets and payment of any Rounding Amount will fully extinguish the Issuer's obligations in respect of the relevant Secured Securities notwithstanding that the value of the Collateral Assets (together with Rounding Amount) so delivered may be less than the market value and/or nominal value of the relevant Secured Security. The Shortfall and the Security Termination Amount in respect of each such Secured Security shall be equal to zero provided that, unless specified otherwise in the applicable Final Terms, where MTM Collateralisation, Partial MTM Collateralisation or Partial Nominal Value Collateralisation is applicable, a Shortfall shall be calculated in accordance with Collateral Security Condition 3.5 where, for such purpose, the Security Realised Amount will be equal to the sum of any Rounding Amount due to the Holder and the marked to market value of the Collateral Assets actually delivered to the Holder (on the basis of the marked to market values of the relevant Collateral Assets determined by the Collateral Agent, as of the relevant date of such delivery) and the Security Termination Amount will be as set out in the applicable Final Terms.

In connection with any such delivery in respect of Certificates which are Secured Securities, such delivery shall be made in accordance with General Conditions 30 and 35.2 and the Entitlement shall be deemed to be a Certificate's Delivery Share. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, General Conditions 22, 24 and 25 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the Warrants shall be deemed to be Physical Delivery Warrants and the Entitlement shall be deemed to be a Warrant's Delivery Share.

In connection with such delivery, (i) General Condition 5 shall not apply, (ii) for the purposes of General Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the assets deliverable to Holders all Security Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Collateral Agent shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the General Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Collateral Assets".

The final sentence of the first paragraph of General Condition 35.2(d) shall not apply and the Collateral Assets which it is not possible to deliver to a Holder due to such rounding shall, if and to the extent practicable, be sold by the Collateral Agent (or such other agent as may be appointed by the Collateral Agent for such purpose) in accordance with Collateral Security Condition 3.3 and a *pro rata* share of the resulting amount (the "**Collateral Delivery Rounding Amount**") shall be paid to each Holder whose Entitlement is subject to such rounding.

Where Physical Delivery of Collateral is applicable to any series of Secured Securities secured by a Collateral Pool either (A) MTM Collateralisation or Partial MTM Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool or (B) Nominal Value Collateralisation or Partial Nominal Value Collateralisation must apply to each series of Secured Securities secured by the same Collateral Pool.

### 3.7 Settlement Disruption

If, in the opinion of the Collateral Agent, delivery of the Entitlement following the occurrence of an Enforcement Event using the method of delivery specified in the applicable Final Terms, or such other commercially reasonable manner as the Collateral Agent has determined, is not practicable by reason of a Collateral Settlement Disruption Event (as defined above) having occurred and continuing on any Collateral Delivery Date then such Collateral Delivery Date, for such Secured Securities shall be postponed to the first following Business Day in respect of which there is no such Collateral Settlement Disruption Event, provided that the Collateral Agent may elect in its sole discretion to deliver the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Collateral Agent deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Collateral Settlement Disruption Event affects some but not all of the Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Collateral Assets not affected by the Collateral Settlement Disruption Event will be the originally designated Collateral Delivery Date.

If delivery of the relevant Entitlement is not possible due to the occurrence of a Collateral Settlement Disruption Event, for a period of greater than eight Business Days (or such other period specified in the Final Terms), then in lieu of physical settlement and notwithstanding any other provision hereof, the Collateral Agent shall sell or realise the Undeliverable Collateral Assets in the manner set out in Collateral Security Condition 3.3. The Collateral Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 that a Collateral Settlement Disruption Event has occurred. No Holder shall be entitled to any payment in respect of the relevant Secured Security or in the case of Warrants, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Collateral Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, or the Guarantor or the Collateral Agent.

### 3.8 Cash Collateral Settlement and Physical Delivery of Collateral

Where both Physical Delivery of Collateral and Collateral Cash Settlement apply to different series of Secured Securities which are secured by the same Collateral Pool, following the occurrence of an Enforcement Event, the following provisions shall apply:

- (a) The Collateral Agent shall first value, or appoint an agent to undertake such valuation on its behalf, the Collateral Assets in the relevant Collateral Pool in order to determine the Collateral Assets Value.
- (b) The Collateral Agent shall determine the Aggregate Cash Settled Final Security Value and the Aggregate Physically Settled Final Security Value and then determine the Cash Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool and the Physically Settled Portion in respect of the Collateral Assets in the relevant Collateral Pool.
- (c) (i) After determining the Collateral Assets Value in respect of the relevant Collateral Pool and calculating the amounts set out in Collateral Security Condition 3.8(b), the Collateral Agent shall determine which Collateral Assets are to be realised in accordance with Collateral Security Condition 3.3 and which Collateral Assets are to be delivered to Holders in accordance with Collateral Security Condition 3.6:
  - (A) (I) (in all circumstances other than where Collateral Security Condition 3.8(c)(i)(B) applies) on the basis that the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the



Collateral Assets Value) which are to be realised shall be equal to the amount of the Cash Settled Portion and (II) the aggregate marked to market value of the Collateral Assets (as determined for the purposes of calculating the Collateral Assets Value) which are to be delivered to Holders shall be equal to the amount of the Physically Settled Portion; or

- (B) on the basis that the aggregate nominal amount of the Collateral Assets which are to be realised in accordance with Collateral Security Condition 3.3 shall be equal to the amount of the Cash Settled Portion and the aggregate nominal amount of the Collateral Assets which are to be delivered to Holders in accordance with Collateral Security Condition 3.6 shall be equal to the amount of the Physically Settled Portion where Nominal Value Collateralisation or Partial Nominal Value Collateralisation apply to the Secured Securities in the relevant Collateral Pool and there are no Collateral Valuation Dates.
- (ii) In each case if the nominal amount of the Collateral Assets to be the subject of Collateral Cash Settlement or to be delivered in accordance with Physical Delivery of Collateral is not equal to an authorised denomination of the Collateral Assets (or an integral multiple thereof) then the nominal amount of each such Collateral Asset shall be rounded down to the nearest authorised denomination or multiple thereof or, if none, to zero. In such circumstances, the Collateral Assets which were not capable of being assigned as Cash Settled Portion Assets or as Physically Settled Portion Assets due to such rounding in each case shall, if and to the extent practicable, be sold by the Collateral Agent (or such other agent as may be appointed by the Collateral Agent for such purpose) in accordance with Collateral Security Condition 3.3. The resulting amount (the "**Collateral Split Rounding Amount**") shall be paid to the Holders on a *pari passu* basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share (in the case of Secured Securities to which Collateral Cash Settlement applies) where, for such purpose, the Realisation Amount will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale) or on the basis of such Secured Security's Delivery Share (in the case of Secured Securities to which such Physical Delivery of Collateral applies) where, for such purpose, the Collateral Assets Value will be deemed to be equal to such proceeds of sale from the relevant Collateral Assets subject to rounding (after deduction of costs or expenses incurred or relating to such sale). For the avoidance of doubt, the Collateral Split Rounding Amount will be payable in addition to any Collateral Delivery Rounding Amount payable in accordance with Collateral Security Condition 3.6.
- (d) After the Collateral Agent determines the Collateral Assets to be realised in accordance with Collateral Security Condition 3.3, such Collateral Securities shall be realised in accordance with such Collateral Security Condition provided that references therein to "Collateral Assets" shall be deemed to be references to the Cash Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.
- (e) After the Collateral Agent determines the Collateral Assets to be delivered in accordance with Collateral Security Condition 3.6, such Collateral Assets will be delivered to Holders in accordance with such Collateral Security Condition provided that references therein to

"Collateral Assets" shall be deemed to be references to the Physically Settled Portion Assets only and not to all the Collateral Assets in the Collateral Pool.

3.9 No collateralisation of Secured Securities held by the Issuer or any of its Affiliates

The Issuer will not deliver Collateral Assets to the Collateral Account in respect of Secured Securities where the Issuer or any of its Affiliates are the beneficial owner of such Secured Securities. Following an Enforcement Event, the Issuer will procure that it and/or the Affiliate of the Issuer that holds the Secured Securities will renounce and waive all rights (including as to payment) in respect of such Secured Securities and shall submit such Secured Securities for cancellation free of payment. Any amounts calculated for the purposes of Collateral Security Conditions 3.2 to 3.8 (inclusive) shall be calculated on the basis that any reference to Secured Securities shall be a reference to Placed Secured Securities only and the definitions in Collateral Security Condition 1 shall be interpreted accordingly.

3.10 Claim on Guarantor

In the event that the Issuer fails to make payment of the Shortfall, the Guarantor will on demand (without first requiring the Holder to take further steps against the Issuer or any other person) pay to each Holder in respect of each Secured Security held by him, an amount equal to the Shortfall in the currency in which the Shortfall is payable by the Issuer.

3.11 Status of Guarantee

The Guarantee is an unsubordinated and unsecured obligation of BNPP and will rank *pari passu* with all its other present and future unsubordinated and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law. Secured Securities in respect of which these Collateral Security Conditions are specified as applicable in the relevant Final Terms shall be deemed not to be "Securities" for the purposes only of the Deed of Guarantee for Unsecured Securities dated on or around 4 June 2021, the Dutch Law Guarantee for Unsecured Securities dated on or around 4 June 2021, or the French Law Guarantee for Unsecured Securities dated on or around 4 June 2021, entered into, in each case, by BNPP in respect of securities (other than Secured Securities) issued by the Issuer under its warrant and certificate programme.

**4. Guarantee**

Subject as provided below and in the relevant Guarantee, BNPP has unconditionally and irrevocably (a) guaranteed to each Holder that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason the Issuer does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will not later than five Paris Business Days (as defined in the relevant Guarantee) after a demand has been made on BNPP pursuant thereto (without requiring the relevant Holder first to take steps against the Issuer or any other person) pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds as though BNPP were the principal obligor in respect of such obligation provided that BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full and distributed in the manner set out in Collateral Security Condition 6.2.

**5. Collateral Calculation Agent**

In relation to each issue of Secured Securities, the Collateral Calculation Agent (whether it be BNP Paribas, BNP Paribas Arbitrage S.N.C. or another entity) acts solely as agent of the Issuer and the

Guarantor, and does not assume any obligation or duty to, or any relationship of agency or trust for or with, the Holders. All calculations and determinations made in respect of the Secured Securities by the Collateral Calculation Agent shall (save in the case of manifest error) be final, conclusive and binding on the Issuer, the Guarantor, the Holders and the Collateral Agent. Because the Collateral Calculation Agent may be an affiliate of the Issuer, potential conflicts of interest may exist between the Collateral Calculation Agent and the Holders, including with respect to certain determinations and judgments that the Collateral Calculation Agent must make.

The Collateral Calculation Agent may, with the consent of the Issuer, delegate any of its obligations and functions to a third party as it deems appropriate.

## **6. Events of Default and Enforcement**

### **6.1 Events of Default**

A Holder may deliver a Default Notification specifying that an Event of Default has occurred. If the Collateral Agent does not receive an Event Dispute Notice from the Issuer at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) whereupon, each series of Secured Securities shall become immediately due and payable at their Security Termination Amount (save where Physical Delivery of Collateral is applicable in which case the Entitlement in respect of each such Secured Security shall be delivered on the relevant Collateral Delivery Date) without further action or formalities and the Security Interests granted under the Pledge Agreements shall become enforceable (as set out in the Pledge Agreements).

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

- (a) the Issuer fails to pay any amount payable in respect of the Secured Securities or any of them when due and payable or fails to deliver the Entitlement when due and such default is not remedied within 30 days after the relevant due date; or
- (b) the Issuer or the Guarantor fails to perform or observe any of its other obligations under the Secured Securities and such default is not remedied within 45 days after notice of such default has been given to the Principal Security Agent by any Holder; or
- (c) BNPP applies for the appointment of an ad hoc representative (*mandataire ad hoc*) under French bankruptcy law, or enters into an amicable procedure (*procédure de conciliation*) with creditors or ceases its payments, or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of BNPP or for a transfer of the whole of its business (*cession totale de l'entreprise*); or
- (d) the Issuer is subject to proceedings similar to those set out in Collateral Security Condition 6.1(c), or, in the absence of legal proceedings, the Issuer or Guarantor makes a conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or a resolution is passed by the Issuer or Guarantor for its winding-up or dissolution, except in connection with a merger or other reorganisation in which all of the Issuer's or the Guarantor's assets are transferred to, and all of the Issuer's or Guarantor's debts and liabilities (including the Secured Securities) are assumed by, another entity which continues the Issuer's or Guarantor's activities.

Any such Enforcement Notice shall be promptly given to the Holders in accordance with General Condition 10.

## 6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with any of the Pledge Agreements (including without limitation enforcing the Pledge(s) upon the Pledge(s) becoming enforceable) (i) unless a Holder has given written notice to each of the Issuer, the Collateral Agent and the Principal Security Agent that an Event of Default has occurred, no Event Dispute Notice in respect of such Default Notification has been received by the Collateral Agent at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice to each of the Issuer, the Principal Security Agent, the Collateral Custodian, the Swap Counterparty (if any) and Repo Counterparty (if any) with a copy delivered to the Holders or (ii) if the Collateral Agent reasonably believes that it (x) would not be able to recover its costs or other liabilities which would be incurred in connection with such action from the relevant Collateral Assets or otherwise or (y) would experience an unreasonable delay in doing so.

Upon the occurrence of an Enforcement Event in respect of any series of Secured Securities, the Collateral Agent shall enforce the Pledges in accordance with the Pledge Agreements. No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreements unless the Collateral Agent, having become bound so to enforce or to proceed, fails so to do within a reasonable time and such failure is continuing or the Collateral Agent is prevented from doing so by any court order. In connection with the enforcement of the Pledges, and after the realisation and liquidation in full of all the Collateral Assets in a Collateral Pool and, where Physical Delivery of Collateral is not applicable, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amounts to the Holders following such realisation and liquidation. Upon the occurrence of an Enforcement Event, the Collateral Calculation Agent shall provide details to the Collateral Agent of the valuation of the Collateral Assets and the Secured Securities (to the extent applicable) determined for the purposes of Collateral Security Condition 3.2 as at the immediately preceding Collateral Valuation Date (if any).

Where the Secured Securities become due and payable at their Security Termination Amount in accordance with Collateral Security Condition 6.1., no amounts other than the relevant Security Termination Amount will be payable in respect of each Secured Security.

Where Physical Delivery of Collateral and Nominal Value Collateralisation is applicable to a series of Secured Securities or there is recourse only to the proceeds of sale of the Collateral Assets, upon delivery of the relevant Collateral Assets (and payment of any Rounding Amount due in respect of such delivery) or payment of the proceeds of sale and any Rounding Amount, no further amount will be due to the Holders of such Secured Securities. In all other cases, in the event that the Realisation Amount is insufficient to pay the Security Termination Amount due to a Holder in full or the value of Collateral Assets delivered is less than the Security Termination Amount, the Issuer shall remain liable for the Shortfall and, in the event that the Issuer fails to make payment of the Shortfall as and when it becomes due, the Guarantor will be liable for such Shortfall pursuant to the terms of the Guarantee applicable to such Secured Securities. No Holder shall be entitled to have recourse to the Collateral Assets contained in a Collateral Pool other than the Collateral Pool which relates to the Secured Securities it holds.

## 6.3 Redemption and cancellation

Where Physical Delivery of Collateral is not applicable to a series of Secured Securities, following payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of a Secured Security and/or payment to the Holder of a Secured Security of an amount in aggregate equal to the Security Termination Amount the relevant Secured Security shall be deemed to have been redeemed (in the case of Certificates) or cancelled (in the case of Warrants). Where Physical Delivery of Collateral is applicable to a series of Secured Securities, following or delivery to the Holder of a Secured Security of Collateral Assets in an amount equal to the relevant Delivery Share by the Collateral Agent (together with any Rounding Amount payable) and, where applicable, payment in full by the Issuer and/or the Guarantor of the Shortfall (if any) in respect of such Secured Security, the relevant Secured Security shall be deemed to have been redeemed (in the case of Certificates) or cancelled (in the case of Warrants).

## 7. Additional Disruption Events

7.1 The following changes will apply to General Condition 15:

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

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

- (b) The following definitions shall be deemed to have been inserted in General Condition 15.1 after the definition of a Cancellation Event and before the definition of Change in Law:

**"Collateral Asset Default"** means, in respect of a series of Secured Securities, any Collateral Asset in the Collateral Pool which secures such series of Secured Securities becomes due and payable on a date prior to its stated maturity date for any reason (including by reason of default in payment) or where the Collateral Asset is a cash deposit, there is a failure by the bank with which such deposit is held to pay any amount in respect of such deposit or the deposit becomes repayable on a date prior to its stated repayment date for any reason;

**"Collateral Disruption"** means the Issuer and/or any of its Affiliates is unable after using commercially reasonable efforts to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) or any futures or option contracts it deems necessary to obtain Collateral Assets; (b) freely realise, recover, remit, receive, re-patriate or transfer the proceeds of any such transactions(s) or assets(s) or futures or option contract(s) or any relevant hedge positions relating to the Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market) or (c) acquire or substitute any Collateral Assets (including without limitation as a result of adverse market conditions or a lack of liquidity in the market);".

- (c) The following definition shall be deemed to have been inserted in General Condition 15.1 after the definition of Hedging Shares and before the definition of Increased Cost of Hedging:

**"Increased Cost of Collateral Assets"** means that the Issuer and/or any of its Affiliates would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense, fee (other than brokerage commissions) or other relevant cost (including, for the avoidance of doubt, any funding cost) to (a) acquire, borrow, substitute, or dispose of any Collateral Assets, (b) establish, re-establish, substitute, maintain, unwind or dispose of any transaction entered into by the Issuer or any of its Affiliates in connection with the Collateral Assets or (c) realise, recover or remit the proceeds of any such Collateral Assets,

provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its Affiliates shall not be deemed an Increased Cost of Collateral Assets;"

- (d) The definition of Optional Additional Disruption Events in General Condition 15.1 shall be deleted and replaced with the following:

**"Optional Additional Disruption Event"** means any of Cancellation Event, Collateral Asset Default, Currency Event, Failure to Deliver due to Illiquidity, Force Majeure Event, Increased Cost of Stock Borrow, Jurisdiction Event, Insolvency Filing, Loss of Stock Borrow and/or Stop-Loss Event, in each case if specified in the applicable Final Terms;"

- (e) Notwithstanding the first sentence of General Condition 15.2, upon the occurrence of an Additional Disruption Event which is either a Collateral Disruption or an Increased Cost of Collateral Assets, the Issuer, in its sole and absolute discretion, may take the action described in General Condition 15.2(b) or (c).

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

- (a) Where the relevant Secured Securities are Certificates and where the relevant Collateral Asset(s) have become due and repayable other than by reason of default in payment, upon becoming aware of such event, the Issuer will, on giving such period of notice (in accordance with General Condition 10) as expires not more than ten nor less than five Business Days following the date upon which the Issuer receives the redemption proceeds of such Collateral Asset(s) or where the Collateral Asset is a deposit, the date on which the Issuer receives the amount due to it on such repayment of the deposit, redeem the Secured Securities by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount on the expiry of such notice.
- (b) Where the Collateral Asset has become due and repayable by reason of default in payment by the obligor of such Collateral Asset continuing after the expiry of any applicable grace period,
  - (i) in the case of Certificates, the Issuer shall as soon as reasonably practicable arrange for the sale of such Collateral Assets (and in connection therewith may appoint an agent to assist it in arranging such sale) in accordance with the manner of sale set out in Collateral Security Condition 3.3 (and for such purposes any reference in such Collateral Security Condition 3.3 to the Collateral Agent shall be deemed to be a reference to the Issuer or any agent it appoints to assist it in arranging such sale) or where the Collateral Asset is a cash deposit, the Issuer shall seek to recover amounts from the deposit or sell its rights to such deposit and the Issuer shall give notice in accordance with General Condition 11 (x) that each Certificate is to be redeemed at its Collateral Early Settlement Amount pursuant to this Collateral Security Condition 7.2(b)(i) following receipt of the realisation proceeds of the Collateral Assets and (y) upon receipt of such proceeds, of the date upon which the relevant Secured Securities are to be redeemed (which date shall be not more than ten nor less than five Business Days following receipt of such proceeds) and it shall redeem each Secured Security by payment of an amount equal to such Secured Security's Collateral Early Settlement Amount; or

- (ii) in the case of Certificates or Warrants, where Collateral Physical Settlement has been specified as applicable in applicable Final Terms, the Issuer shall as soon as reasonably practicable deliver the Collateral Assets to the Holders. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Certificates, General Conditions 30 and 35.2 shall apply and, for such purposes, the Certificates shall be deemed to be Physical Delivery Certificates and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the Certificate's pro rata share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool. Any reference in the General Conditions to Relevant Assets shall be deemed to be, in connection with a Collateral Asset Default, a reference to the Collateral Assets which are comprised in the Entitlement for such Secured Security. Where delivery of the Collateral Assets is due to be made in respect of Secured Securities which are Warrants, General Conditions 22, 24 and 25 (as modified by these Collateral Security Conditions) shall apply and, for such purposes, the Warrants shall be deemed to be Physical Delivery Warrants and the Entitlement (unless specified otherwise in the applicable Final Terms) shall be deemed to be the Warrant's pro rata share of the Collateral Assets held by the Issuer in respect of the relevant Collateral Pool. Delivery of the Entitlement shall satisfy the Issuer's obligations in full in respect of the relevant Secured Securities.
  - (c) Subject as provided below, in the case of Certificates, in the event that some only of the Collateral Assets in the relevant Collateral Pool become repayable (the "**Repayable Assets**") pursuant to Collateral Security Conditions 7.2(a) or 7.2(b)(i) above, each Certificate will be partially redeemed on a pro rata basis in a nominal amount equal to the proportion of the then outstanding aggregate nominal amount of the Certificates that the principal amount of the Repayable Assets bears to the aggregate principal amount of all of the Collateral Assets, subject as provided below.
  - (d) Where Collateral Physical Settlement has been specified as applicable in the applicable Final Terms and a Settlement Disruption Event occurs, General Condition 5.1 shall apply provided that the Disruption Cash Settlement Price will be equal to the Disruption Cash Settlement Price specified in the applicable Final Terms.
  - (e) If a Collateral Asset Default occurs, the Issuer will procure that any Affiliate which is holding Secured Securities of the relevant series shall deliver these to the Issuer and the Issuer will cancel such Secured Securities together with any Secured Securities which it is holding itself free of payment.
- 7.3 For the purpose of Collateral Security Conditions 7.2(a) and 7.2(b)(i), the "**Collateral Early Settlement Amount**" in respect of each Certificate will, unless otherwise specified in the applicable Final Terms, be the lesser of:
- (a) the Security Realised Amount in respect of such Certificate (determined in accordance with Collateral Security Condition 3) or where Collateral Security Condition 7.2(a) is applicable, such Secured Security's pro rata share of the redemption proceeds or, where the Collateral Asset is a cash deposit, the Issuer receives the amount due to it on the relevant repayment of the deposit received by the Issuer in respect of the relevant Collateral Assets; and
  - (b) an amount calculated as follows:

- (i) in the case of Certificates with a Cash Settlement Amount equal to the Issue Price, at the Cash Settlement Amount thereof; or
- (ii) in the case of Certificates with a Cash Settlement Amount which is or may be less or greater than the Issue Price or which is payable in a Settlement Currency other than that in which the Certificates are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its outstanding nominal amount,

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

- (c) the amount specified in the applicable Final Terms.

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

### **8.1 General**

This Collateral Security Condition 8 shall only apply if the applicable Final Terms specify that Collateral Security Condition 8 applies and that the relevant Secured Securities are Collateral Security Credit Certificates. Where this Collateral Security Condition 8 applies, for the avoidance of doubt, the terms of Annex 11 shall not apply to the Secured Securities. This Collateral Security Condition 8 may only apply to Secured Securities which are Certificates and in respect of which the only Collateral Asset is the Reference Obligation and may not apply to Secured Securities which are Warrants.

### **8.2 Redemption**

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

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

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

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

Upon the satisfaction of the Conditions to Settlement in relation to the Reference Entity, each Certificate will be redeemed at the Credit Event Settlement Amount on the Cash Settlement Date in full satisfaction of the Issuer's obligations under such Collateral Security Credit Certificate unless an Enforcement Event



occurs on or prior to such Cash Settlement Date. Where the Conditions to Settlement are satisfied in relation to the Reference Entity but an Enforcement Event occurs on or prior to the Cash Settlement Date, Collateral Security Condition 3 shall apply.

(c) Miscellaneous provisions relating to Redemption

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

8.3 Interest

(a) Cessation of Interest Accrual

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

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

(b) Interest following Scheduled Maturity

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

(c) Interest Payment Dates

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

(d) General

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

8.4 Satisfaction of the Conditions to Settlement

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

8.5 Miscellaneous Provisions relating to Collateral Security Credit Certificates

(a) Collateral Asset Withdrawals

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

(b) Determinations of the Calculation Agent

The determination by the Calculation Agent of any amount or of any state of affairs, circumstance, event or other matter, or the formation of any opinion or the exercise of any discretion required or permitted to be determined, formed or exercised by the Calculation Agent pursuant to the Collateral Security Credit Certificates shall (in the absence of manifest error) be final and binding on the Issuer, the Guarantor and the Holders. In performing its duties pursuant to these Collateral Security Credit Conditions, the Calculation Agent shall act in its sole and absolute discretion acting reasonably and in good faith. Whenever the Calculation Agent is required to make any determination it may, inter alia, decide issues of construction and legal interpretation. If the Calculation Agent chooses to rely on the determinations of the relevant Credit Derivatives Determinations Committee it may do so without liability. Any delay, deferral or forbearance by the Calculation Agent in the performance or exercise of any of its obligations or its discretion under the Collateral Security Credit Certificates including, without limitation, the giving of any notice by it to any person, shall not affect the validity or binding nature of any later performance or exercise of such obligation or discretion, and none of the Calculation Agent, the Issuer or the Guarantor shall, in the absence of wilful misconduct and gross negligence, bear any liability in respect of, or consequent upon, any such delay, deferral or forbearance.

(c) Delivery of Notices

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

8.6 Definitions

The following definitions shall apply to Collateral Security Credit Certificates.

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

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within thirty calendar days of the institution or presentation thereof;

- (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within thirty calendar days thereafter; or
- (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (g) above (inclusive).

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

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

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

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

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

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

- (a) any lack or alleged lack of authority or capacity of a Reference Entity to enter into the Reference Obligation;
- (b) any actual or alleged unenforceability, illegality, impossibility or invalidity with respect to the Reference Obligation, however described;
- (c) any applicable law, order, regulation, decree or notice, however described, or the promulgation of, or any change in, the interpretation by any court, tribunal, regulatory authority or similar administrative or judicial body with competent or apparent jurisdiction of any applicable law, order, regulation, decree or notice, however described; or
- (d) the imposition of, or any change in, any exchange controls, capital restrictions or any other similar restrictions imposed by any monetary or other authority, however described.

**"Credit Event Determination Date"** means the first date on which a Credit Event Notice is effective.

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

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

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

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

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

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

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

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

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

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

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

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

**"Failure to Pay"** means, after the expiration of the Grace Period, the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment

Requirement under the Reference Obligation in accordance with the terms of such Reference Obligation at the time of such failure.

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

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

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

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

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

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

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

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

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

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

**"Potential Failure to Pay"** means the failure by the Reference Entity to make, when and where due, any payments in an aggregate amount of not less than the Payment Requirement in respect of the Reference

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

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

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

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

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

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

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

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

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

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

## **9. Collateral Asset Linked Securities**

### **9.1 General**

This Collateral Security Condition 9 shall only apply if the applicable Final Terms specify that this Collateral Security Condition 9 applies and that the relevant Secured Securities are Collateral Asset Linked Securities. The terms of the Collateral Security Conditions (save for Collateral Security Condition 8) shall apply to Collateral Asset Linked Securities save as set out or modified in this Collateral

Security Condition 9. This Collateral Security Condition 9 may only apply to Secured Securities which are Certificates and may not apply to Secured Securities which are Warrants.

## 9.2 Changes to Collateral Security Conditions

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

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

### "3.2 Security

The obligations of the Issuer in respect of the Secured Securities will be secured by one or more pledge agreements between the Issuer and the Collateral Agent (each a "**Pledge Agreement**") pursuant to which the Issuer will grant a first ranking security interest in favour of the Collateral Agent, for itself and on behalf of the Holders of the Secured Securities which are to be secured by the relevant Collateral Pool, over all the Issuer's rights in, and, to the Collateral Assets delivered to each of the Collateral Custodians appointed in respect of the relevant Collateral Pool and held from time to time in the relevant account(s) established with the Collateral Custodian(s) for such purpose (such account(s), the "**Collateral Account**"). The Issuer will not deliver Collateral Assets in respect of Secured Securities where the Issuer and/or any of its Affiliates is the beneficial owner. In addition to, or as an alternative to, a Pledge Agreement, the Issuer may also enter into an Additional Security Document or Alternative Security Document in respect of a Collateral Pool as specified in the applicable Final Terms in order to secure its obligations in respect of the Secured Securities and references in Collateral Security Condition 1 and hereinafter to "**Pledge Agreement**" and "**Pledges**" shall be construed as if they also refer to such Alternative Security Documents and/or Additional Security Documents.

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

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

Final Terms) at least equal to the Securities Value applicable to the relevant Collateral Pool (as determined in respect of the immediately preceding Collateral Valuation Date).".

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

"If an Enforcement Event occurs, the Collateral Agent shall enforce the Pledge and realise the MTM Adjustable Assets (and may appoint one or more agents to assist it to do so) provided that the Collateral Agent need not take such action if it reasonably believes that it would not be able to recover the costs or other liabilities which would be incurred in connection with such action from the MTM Adjustable Assets or otherwise or would experience an unreasonable delay in doing so."

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

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

"3.4 Application of proceeds

The Realisation Proceeds will be applied in meeting the claims of Holders under the Secured Securities which are secured by the relevant Collateral Pool on a *pari passu* basis where each Secured Security's share of such proceeds shall be determined on the basis of such Secured Security's Collateral Proceeds Share provided that a Holder shall not be entitled to receive an amount in respect of a Secured Security greater than the Security Termination Amount determined with respect to such Secured Security and that the Collateral Proceeds Share will be equal to zero in respect of any Secured Securities which are not Placed Secured Securities. ".

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

"3.5 Shortfall

In the event that, following the application of the MTM Security Enforcement Proceeds in accordance with Collateral Security Condition 3.4, the amount paid to a Holder in respect of a Secured Security held by him (a "**Security Realised Amount**") is less than the Security MTM Termination Amount determined with respect to such Secured Security (the difference being referred to as a "**Shortfall**"), the Issuer shall remain liable for such Shortfall, but any such Holder shall not have recourse to any Collateral Pool other than the Collateral Pool applicable to that series of Secured Securities."

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

"3.6 Physical Delivery of Collateral

Following enforcement of the Pledge, the Collateral Agent, will deliver the Reference Collateral Assets in a Collateral Pool to the Holders of the Secured Securities secured by the relevant Collateral Pool on a *pari passu* and pro rata basis. Delivery of such



Reference Collateral Assets will fully extinguish the Issuer's obligations in respect of the Notional Amount of the relevant Secured Securities notwithstanding that the value of the Collateral Assets so delivered may be less than the market value and/or nominal value of the relevant Secured Security.

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

In connection with such delivery, (i) General Condition 5 shall not apply, (ii) for the purposes of General Condition 11.1, Security Expenses shall be deemed to include any Enforcement Expenses which are incurred in delivery of the Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, (iii) the Collateral Agent shall be entitled to deduct from the Reference Collateral Assets deliverable to Holders all Security Expenses not previously deducted from amounts paid or assets delivered to Holders, as the Collateral Agent shall in its sole and absolute discretion determine are attributable to the relevant Secured Securities and (iv) any reference in the General Conditions to "Relevant Assets" shall be deemed, in connection with a delivery of Reference Collateral Assets in accordance with this Collateral Security Condition 3.6, to be a reference to "Reference Collateral Assets."

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

"3.7 Settlement Disruption

If, in the opinion of the Collateral Agent, delivery of the Entitlement following the occurrence of an Enforcement Event using the method of delivery specified in the applicable Final Terms, or such other commercially reasonable manner as the Collateral Agent has determined, is not practicable by reason of a Collateral Settlement Disruption Event (as defined above) having occurred and continuing on any Collateral Delivery Date then such Collateral Delivery Date, for such Secured Securities shall be postponed to the first following Business Day in respect of which there is no such Collateral Settlement Disruption Event, provided that the Collateral Agent may elect in its sole discretion to deliver the Entitlement in such other commercially reasonable manner as it may select and in such event the Collateral Delivery Date shall be such day as the Collateral Agent deems appropriate in connection with delivery of the Entitlement in such other commercially reasonable manner. For the avoidance of doubt, where a Collateral Settlement Disruption Event affects some but not all of the Reference Collateral Assets comprising the Entitlement, the Collateral Delivery Date for the Reference Collateral Assets not affected by the Collateral Settlement Disruption Event will be the originally designated Collateral Delivery Date.

If delivery of the relevant Entitlement is not possible due to the occurrence of a Collateral Settlement Disruption Event, for a period of greater than eight Business Days (or such other period specified in the Final Terms), then in lieu of physical settlement and notwithstanding any other provision hereof, the Collateral Agent shall sell or realise the Undeliverable Reference Collateral Assets in the manner set out in Collateral Security Condition 3.3. The Collateral Agent shall give notice as soon as practicable to the Holders in accordance with General Condition 10 that a Collateral Settlement Disruption Event has occurred. No Holder shall be entitled to any payment

in respect of the relevant Secured Security or in the case of Warrants, if applicable, Unit, as the case may be, in the event of any delay in the delivery of the Entitlement due to the occurrence of a Collateral Settlement Disruption Event and no liability in respect thereof shall attach to the Issuer, the Guarantor or the Collateral Agent."

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

"Following the occurrence of an Event of Default, a Holder, or the Distributor acting on the instructions of a Holder, may provide a Default Notification. If the Collateral Agent does not receive an Event Dispute Notice from the Issuer at or prior to the end of the Dispute Period, it shall deliver an Enforcement Notice to each of the Issuer, the Principal Security Agent and the Collateral Custodian whereupon the Secured Securities shall become immediately due and payable at their Security Termination Amount, and the Issuer shall be obliged to deliver the Entitlement in respect of each Secured Security on the relevant Collateral Delivery Date without further action or formalities and the Security Interest granted under the Pledge Agreement shall become enforceable (as set out in the Pledge Agreement).

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

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

"6.2 Enforcement

The Collateral Agent shall not be bound to take any action under or in connection with the Pledge Agreement (including without limitation enforcing the Pledge upon the Pledge becoming enforceable) (i) unless a Holder, or the Distributor acting on the instructions of a Holder, has delivered a Default Notification, no Event Dispute Notice in respect of such Default Notification at or prior to the end of the Dispute Period and the Collateral Agent has, as a result, delivered an Enforcement Notice or (ii) if the Collateral Agent reasonably believes that it (x) would not be able to recover its costs or other liabilities which would be incurred in connection with such action from the relevant Collateral assets or otherwise or (y) would experience an unreasonable delay in doing so.

Upon the occurrence of an Enforcement Event in respect of any series of Secured Securities, the Collateral Agent shall enforce all the Pledges in accordance with all the Pledge Agreements relating to all the Collateral Pools.

No Holder shall be entitled to enforce the Pledges or to proceed directly against the Issuer to enforce the other provisions of the Pledge Agreement unless the Collateral Agent, having become bound so to enforce or to proceed, fails so to do within a reasonable time and such failure is continuing or the Collateral Agent is prevented from doing so by any court order. In connection with the enforcement of the Pledge, and after the realisation and liquidation in full of all the MTM Adjustable Assets in a Collateral Pool, the Collateral Agent shall determine the Security Termination Amount (and, if applicable, any Shortfall) in respect of each Secured Security and shall notify such amount to the Holders following such realisation and liquidation.

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

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

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

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

"**Collateral Asset Default**" means (a) any of the Reference Collateral Assets in the Collateral Pool become due and payable on a date prior to their stated maturity date for any reason (including by reason of default in payment), (b) a failure by the Reference Collateral Asset Issuer to (i) pay on the due date any amount due or (ii) perform any of its other obligations, in the case of both (i) and (ii), in respect of the Reference Collateral Assets or (c) any rescheduling, Restructuring, subordination, exchange or material amendment is announced by the Reference Collateral Asset Issuer or any governmental authority or occurs, in respect of the Reference Collateral Assets;"

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

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

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

In order to determine whether a Collateral Asset Default has occurred, the Calculation Agent and the Distributor (if any) will consult in good faith for up to five Business Days following the notification by the Calculation Agent or the Distributor to the other

party of the potential occurrence of a Collateral Asset Default (a "**Consultation Period**") to agree whether or not a Collateral Asset Default has occurred.

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

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

If a Collateral Asset Default occurs, the Issuer will procure that any Affiliate which is holding Secured Securities of the relevant series shall deliver these to the Issuer and the Issuer will cancel such Secured Securities together with any Secured Securities which it is holding itself and, in connection with such cancellation, the notional amount of the Option will be reduced to reflect the reduced aggregate Notional Amount of the Secured Securities.

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

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

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

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

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

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

the Secured Securities and any other unpaid amounts payable to the Collateral Agent under the Agency Agreement;

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

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

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

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

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

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

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

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

**"MTM Adjustable Assets"** means assets which may comprise bonds or notes listed on a regulated market, shares listed on a regulated market, shares, notes or other interests in a Collective Investment Scheme and/or other assets of the type or types specified as such in the applicable Final Terms and which are specified in the applicable Final Terms to be MTM Adjustable Assets for the relevant Collateral Pool;

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

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

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

**"Option"** means the option entered into by the Issuer with an Affiliate of BNP Paribas in order to hedge the Issuer's obligations to pay Scheduled Underlying Reference Linked Payments in respect of the Secured Securities;

**"Realisation Proceeds"** means the remaining proceeds from the realisation of the MTM Adjustable Assets in a Collateral Pool following payment of all amounts due to the Collateral Agent and/or any agent appointed by it to assist in the enforcement of the Pledge(s) and realisation of the MTM Adjustable Assets, including any Enforcement Expenses;

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

**"Reference Collateral Assets"** means assets which may comprise bonds or notes listed on a regulated market, government bonds, shares listed on a regulated market, shares, units or other interests in a Collective Investment Scheme and/or other assets of the type or types specified as such in the applicable Final Terms and which are specified in the applicable Final Terms as the Reference Collateral Assets for the relevant Collateral Pool;

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

**"Reference Collateral Event Cash Settlement Amount"** means an amount in the Settlement Currency equal to each Placed Secured Securities' pro rata share of an amount equal to the marked to market value, on the Collateral Asset Default Determination Date, of the Option, as determined by the Calculation Agent;

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

**"Restructuring"** means the occurrence of any one or more of the following events with respect to the Reference Collateral Assets:

- (i) a reduction in the amount of principal or premium payable at maturity or at scheduled redemption dates;
- (ii) a postponement or other deferral of a date or dates for the payment of principal or premium;
- (iii) a change in the ranking in priority of payment of the Reference Collateral Assets causing the subordination of the Reference Collateral Assets to any other obligation under which the Reference Collateral Asset Issuer is an obligor; or
- (iv) any change in the currency or composition of any payment of principal under the Reference Collateral Assets,

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

- (A) such event is not due to an administrative adjustment, accounting adjustment or tax adjustment or other technical adjustment occurring in the ordinary course of business; and
- (B) such event directly or indirectly results from a deterioration in the creditworthiness or financial condition of the Reference Collateral Asset Issuer;

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

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

**"Undeliverable Reference Collateral Assets"** means any Reference Collateral Assets which the Collateral Agent is unable to deliver in accordance with Collateral Security Condition 3.6 due to the occurrence of a Collateral Settlement Description Event

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

10.1 The first paragraph of General Condition 24.2 shall not apply and shall be replaced with the following:

"If the Warrants are Cash Settled Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit entitles its Holder, upon due exercise and subject, in the case of Warrants represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by Rule 144A Global Warrants and Private Placement Definitive Warrants, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date (provided that no Enforcement Event has occurred) a Cash Settlement Amount calculated by the Calculation Agent (which shall not be less than zero) equal, unless otherwise specified in the applicable Final Terms, to:"

10.2 The first paragraph of General Condition 24.3 (Physical Settlement) shall not apply and shall be replaced with the following:

"If the Warrants are Physical Delivery Warrants, each such Warrant or, if Units are specified in the applicable Final Terms, each Unit, as the case may be, entitles its Holder, upon due exercise and subject, in the case of Warrants, represented by a Clearing System Global Warrant, other than a Rule 144A Global Warrant, or a Registered Warrant, to certification as to non-U.S. beneficial ownership, and, in the case of Warrants represented by a Rule 144A Global Warrant or a Private Placement Definitive Warrant, to such certifications as to compliance with U.S. securities laws as the Issuer shall require or as shall be set out in the applicable Final Terms, to receive from the Issuer on the Settlement Date (provided no Enforcement Event has occurred) the Entitlement subject to payment of the relevant Exercise Price and any other sums payable. The method of delivery of the Entitlement is set out in the applicable Final Terms."

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

General Condition 34.1 will not apply.

11.1 General

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

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

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

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

#### 11.2 Credit Certificates and Collateral Security Credit Certificates

Subject as provided in these Terms and Conditions and as specified in the applicable Final Terms and provided no Enforcement Event has occurred, each Credit Certificate and Collateral Security Credit Certificate will be redeemed by the Issuer by payment of the Cash Settlement Amount such redemption to occur on the Redemption Date specified in the applicable Final Terms subject as provided in Annex 11 (Additional Terms and Conditions for Credit Securities) and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. If the date for payment of any amount in respect of the Certificates is not a Business Day, the holder thereof shall not be entitled to payment until the next following Business Day and shall not be entitled to any payment in respect of such delay.

#### 11.3 Issuer Call Option

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

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

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

In the case of a partial redemption, the rights of Holders of Certificates represented by a Global Certificate, or Holders of Italian Dematerialised Certificates, Swedish Dematerialised Certificates or Finnish Dematerialised Certificates will, unless otherwise provided in the applicable Final Terms, be governed by the standard procedures of Euroclear, Clearstream Luxembourg, Euroclear France, Euroclear Netherlands, DTC, Monte Titoli, Euroclear Sweden, Euroclear Finland, as applicable, or any relevant Clearing System (as the case may be). With respect to Certificates represented by Private Placement Definitive Certificates, the Definitive Security Agent will select the Certificates to be redeemed individually by lot, not more than 45 days prior to the date fixed for redemption, and give notice to Holders, in accordance with General Condition 10, of the serial numbers of the Certificates to be redeemed not less than 15 days prior to the date fixed for redemption. Private Placement Definitive Certificates may only be redeemed in minimum amounts of U.S.\$250,000 or more, and the remaining unredeemed portion thereof must be at least U.S.\$250,000.



#### 11.4 Holder Put Option

If Holder Put Option is specified in the applicable Final Terms, upon the Holder of any Certificate giving to the Issuer not less than 15 nor more than 30 days' notice (or such other period specified in the applicable Final Terms (the "**Notice Period**")) the Issuer will, upon the expiry of such notice and provided no Enforcement Event has occurred, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Certificate on any date fixed for redemption as specified in the applicable Final Terms (an "**Optional Redemption Date**") and at an amount (the "**Optional Redemption Amount**") specified in, or determined on the date (the "Optional Redemption Valuation Date") and in the manner specified in the applicable Final Terms together, if applicable, with interest accrued to (but excluding) the Optional Redemption Date (each date and amount as specified in the applicable Final Terms).

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

#### 11.5 Redemption in Instalments

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

#### 11.6 Redemption of Partly Paid Certificates

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

#### 11.7 Exercise of Certificates

If the Certificates are Cash Settled Certificates and Exercise of Certificates is specified as applicable in the applicable Final Terms, provided no Enforcement Event has occurred, the Certificates (such Certificates "**Exercisable Certificates**") will be automatically exercised on the Exercise Date, or, if Multiple Exercise is specified as applicable in the applicable Final Terms, each Exercise Date subject as provided in the following paragraph and, in the case of Credit Certificates, to the provisions of Annex 11 and, in the case of Collateral Security Credit Certificates, Collateral Security Condition 8. Upon automatic exercise each Certificate entitles its Holder to receive from the Issuer the Cash Settlement Amount on the Redemption Date or, if Multiple Exercise is specified as applicable in the applicable Final Terms, the relevant Exercise Settlement Date.

#### 11.8 Open End Certificates

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

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

### 12. Payments (Certificates)

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

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

value on the relevant Interest Payment Date, such payment to be made in accordance with the rules of such Clearing System or the Definitive Security Agent, as the case may be.

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

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

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

In the case of Registered Certificates and where the Certificates pay interest, the Issuer shall pay or cause to be paid the Interest Amount (other than the final Interest Amount) in respect of each Registered Certificate (whether or not in global form) by a cheque in the Settlement Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint

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

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

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

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

The applicable Final Terms may also contain provisions for variation of settlement where, for reasons beyond the control of the Issuer or any holder of the relevant Registered Certificate (including, without limitation, unlawfulness, illegality, impossibility, force majeure, non-transferability or the like, each a "**Payment Disruption Event**"), the Issuer is not able to make, or any holder of the relevant Registered Certificate is not able to receive, as the case may be, payment on the due date and in the Specified Currency of any amount of principal or interest due under the Certificates.

If the applicable Final Terms specify "CNY Payment Disruption Event" to be applicable, in the event that the Calculation Agent determines, in its sole and absolute discretion, that a CNY Payment Disruption Event has occurred or is likely to occur and that such CNY Payment Disruption Event is material in relation to the Issuer's payment obligations under the Certificates in respect of any forthcoming Payment Date or other date on which any amount in respect of the Certificates shall be due and payable (each such date, an "**Affected Payment Date**"), then the Calculation Agent shall notify holders of the relevant Registered Certificates as soon as practicable of the occurrence of such CNY Payment Disruption Event in accordance with General Condition 10.

Upon the occurrence of a CNY Payment Disruption Event:

(i) Postponement

If the applicable Final Terms specify "Postponement" to be applicable in respect of the Certificates, then the Affected Payment Date shall be postponed until the earlier of (A) the second Business Day following the day on which such CNY Payment Disruption Event ceases to exist, and (B) the date falling 14 calendar days following the original date on which the Affected Payment Date was scheduled to fall (the "**CNY Payment Disruption Cut-off Date**") and notice thereof shall be given to the relevant holders of the Registered Certificates in accordance with General Condition 10. For the avoidance of doubt, no amount of interest shall be payable in respect of any delay in payment of any amount(s) due to the adjustment of any Affected Payment Date.

In the event that, pursuant to the preceding paragraph, the Affected Payment Date is adjusted to fall on the CNY Payment Disruption Cut-off Date and the Calculation Agent determines that a CNY Payment Disruption Event still exists on such day, then the Issuer shall make payment of the Equivalent Amount of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount, Security Realised Amount or such other amount payable (if applicable) on the CNY Payment Disruption Cut-off Date and notice thereof shall be given to the relevant holders of the Registered Certificates in accordance with General Condition 10. Any such payment made by the Issuer on the CNY Payment Disruption Cut-off Date shall be in full and final settlement of its obligations to pay such amount in respect of the Certificates.

(ii) Payment of Equivalent Amount

If the applicable Final Terms specify "Payment of Equivalent Amount" to be applicable in respect of the Certificates, the Issuer shall, upon giving notice prior to the relevant Affected Payment Date to the holders of the Registered Certificates in accordance with General Condition 10, make payment of the Equivalent Amount of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount, Security Realised Amount or such other amount payable (if applicable) on the relevant Affected Payment Date. Any such payment made by the Issuer on an Affected Payment Date shall be in full and final settlement of its obligations to pay such amount in respect of the Certificates.

For these purposes:

"**CNY**" means Chinese Yuan or Renminbi, the lawful currency of the People's Republic of China (including any lawful successor currency to CNY).

"**CNY Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) in the People's Republic of China, Hong Kong and any other CNY Settlement Centre(s).

"**CNY Payment Disruption Event**" means the occurrence of any of the following events:

- (A) an event which makes it impossible (where it had previously been possible) or impractical for the Issuer to convert any amounts due and payable in CNY under the Certificates into or from the Equivalent Amount Settlement Currency in the general CNY foreign exchange market in the relevant CNY

Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Inconvertibility Event**"). For the avoidance of doubt, the inability of the Issuer to convert CNY solely due to issues relating to its creditworthiness shall not constitute a CNY Inconvertibility Event;

- (B) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to deliver (i) CNY between accounts inside the relevant CNY Settlement Centre(s), or (ii) from an account inside the relevant CNY Settlement Centre(s) to an account outside the relevant CNY Settlement Centre(s) (including, if applicable, to another CNY Settlement Centre) and outside Mainland China, or (iii) from an account outside the relevant CNY Settlement Centre(s) (including, if applicable, from an account inside another CNY Settlement Centre) and outside Mainland China to an account inside the relevant CNY Settlement Centre(s), except where such impossibility or impracticality is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any CNY Governmental Authority (unless such law, rule or regulation is enacted after the relevant Trade Date, and it is impossible or impractical for the Issuer, due to events beyond its control, to comply with such law, rule or regulation) (a "**CNY Non- Transferability Event**"); or
- (C) an event that makes it impossible (where it had previously been possible) or impractical for the Issuer to obtain a firm quote of an offer price in respect of any amounts due and payable in CNY under the Certificates (either in one transaction or a commercially reasonable number of transactions that, when taken together, is no less than such amount) in the general CNY foreign exchange market in the relevant CNY Settlement Centre(s) in order to perform its obligations under the Certificates (a "**CNY Illiquidity Event**"). For the avoidance of doubt, the inability of the Issuer to obtain such firm quote solely due to issues relating to its creditworthiness shall not constitute a CNY Illiquidity Event.

"**CNY Settlement Centre**" means the financial centre(s) specified as such in the applicable Final Terms in accordance with applicable laws and regulations. If no CNY Settlement Centre is specified in the applicable Final Terms, the CNY Settlement Centre shall be Hong Kong.

"**Equivalent Amount**" means, following the occurrence of a CNY Payment Disruption Event and in respect of the relevant Interest Amount, Cash Settlement Amount, Credit Event Redemption Amount, Instalment Amount, Security Realised Amount or such other amount payable (if applicable) on the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be (for these purposes, the "**Relevant CNY Amount**"), an amount in the Equivalent Amount Settlement Currency determined by the Calculation Agent (in its sole and absolute discretion), by converting the Relevant CNY Amount into the Equivalent Amount Settlement Currency using the Equivalent Amount Settlement Price for the relevant Affected Payment Date or the relevant CNY Payment Disruption Cut-off Date, as the case may be.

**"Equivalent Amount Settlement Currency"** means the currency specified as such in the applicable Final Terms.

**"Equivalent Amount Settlement Price"** means, in respect of any relevant day, the spot rate of exchange between CNY and the Equivalent Amount Settlement Currency on such day, appearing on the Equivalent Amount Settlement Price Source at the Equivalent Amount Settlement Valuation Time on such day (expressed as a number of units (or part units) of CNY for which one unit of the Equivalent Amount Settlement Currency can be exchanged), or if such rate is not available, the arithmetic mean (rounded, if necessary, to four decimal places (with 0.00005 being rounded upwards)) as determined by or on behalf of the Calculation Agent of the bid and offer CNY/Equivalent Amount Settlement Currency exchange rates provided by two or more leading dealers on a foreign exchange market (as selected by the Calculation Agent) at the Equivalent Amount Settlement Valuation Time on such day. If less than two leading dealers provide the Calculation Agent with bid and offer CNY/Equivalent Amount Settlement Currency exchange rates on such day, the Calculation Agent shall determine the Equivalent Amount Settlement Price in its discretion.

**"Equivalent Amount Settlement Price Source"** means the price source specified in the applicable Final Terms.

**"Equivalent Amount Settlement Valuation Time"** means, unless otherwise specified in the applicable Final Terms, the time at which the Equivalent Amount Settlement Price Source publishes the Equivalent Amount Settlement Price.

**"impossible"** or **"impossibility"** in relation to a CNY Payment Disruption Event, shall include (but shall not be limited to) any act which, if done or performed by the Issuer (or any affiliate of the Issuer) would be or result in the breach of any applicable law, rule, or regulation.

**"impractical"** or **"impracticality"** means, in relation to a CNY Payment Disruption Event and in respect of any action to be taken by the Issuer, that the Issuer (or any of its affiliates) would incur a materially increased amount of taxes, duties, expenses or fees (as compared with circumstances existing on the Trade Date) to perform such action.

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

In the case of Swedish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any) Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Sweden, in the case of Swedish Dematerialised Certificates issued in nominal, on the fifth Business Day, or in the case of Swedish Dematerialised Certificates issued in units, the fourth Business Day immediately prior to the Redemption Date (or in the

case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Payment Date**") or the date on which the Enforcement Event occurred (the "**Swedish Record Date**"). The Swedish Security Agent will pay the relevant amount through Euroclear Sweden to each Holder appearing in the Euroclear Sweden Register on the Swedish Record Date on the Payment Date or on the relevant date on which the Security Realised Amount is paid in accordance with these Collateral Security Conditions.

In the case of Finnish Dematerialised Certificates, payment of the Cash Settlement Amount (if any) (or in the case of Instalment Certificates, each Instalment Amount) or Credit Event Redemption Amount (if any), Security Realised Amount, Shortfall and Interest Amount (if any) will be made to persons registered as Holders in the register maintained by Euroclear Finland, in the case of Finnish Dematerialised Certificates issued in nominal, on the Business Day preceding the Redemption Date (or in the case of Instalment Certificates, Instalment Date) or Interest Payment Date, as the case may be (the "**Finnish Payment Date**"), or in the case of Finnish Dematerialised Certificates issued in units, on the fifth trading day following the Redemption Valuation Date (both referred to as the "**Finnish Record Date**"). The Finnish Security Agent will pay the relevant amount to each Holder appearing in the Euroclear Finland Register on the Finnish Record Date, in the case of Finnish Dematerialised Certificates issued in nominal, on the Finnish Payment Date (being the first Business Day following the Finnish Record Date), or, in the case of Finnish Dematerialised Certificates issued in units, on the third Business Day following the Finnish Record Date, or on the occurrence of an Enforcement Event, in accordance with the rules and regulations of Euroclear Finland. In the event of late payment not due to an event or circumstance mentioned below in this paragraph, penalty interest will be payable on the overdue amount from the due date for payment thereof up to and including the date on which payment is made at an interest rate corresponding to, in the case of Helsinki Business Day, EURIBOR (or any other interbank offered rate applicable in Helsinki) increased by one percentage point. Interest will not be capitalized. Where the Issuer, the Guarantor, if any, or any Security Agent, due to any legal enactment (domestic or foreign), the intervention of a public authority (domestic or foreign), an act of war, strike, blockade, boycott, lockout or any other similar event or circumstance, is prevented from effecting payment, such payment may be postponed until the time the event or circumstance impeding payment has ceased, with no obligation to pay penalty interest. The provisions in this paragraph shall apply to the extent that nothing to the contrary follows from applicable provisions specified in the applicable Final Terms, or from the provisions of Regulation (EU) No 909/2014, the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and the Finnish Act on Book-Entry Accounts (*Fin. laki arvo-osuustileistä* (827/1991)).

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment or other laws and regulations to which the relevant Issuer, the Guarantor (if applicable), the relevant Security Agent and the Registrar (in the case of Registered Securities) are subject.



## ANNEX 13

### ADDITIONAL TERMS AND CONDITIONS FOR PREFERENCE SHARE CERTIFICATES

The terms and conditions applicable to Preference Share Certificates shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Preference Share Certificate 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 Preference Share Certificate Conditions, the Preference Share Certificate Conditions set out below shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Preference Share Certificate Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

**"Early Preference Share Redemption Date"** means a date upon which the Preference Shares are redeemed prior to their planned maturity, as specified in the relevant Early Redemption Notice.

**"Early Redemption Amount"** means, in respect of each Certificate, an amount in the Settlement Currency calculated by the Calculation Agent on the same basis as the Cash Settlement Amount except that the definition of Preference Share Value<sub>final</sub> shall be the Preference Share Value on the day falling two Business Days before the Early Redemption Date.

**"Early Redemption Certificate Amount"** means, in respect of each Certificate, an amount in the Settlement Currency calculated by the Calculation Agent equal to:

$$\text{Issue Price} \times \frac{\text{Preference Share Value}_{\text{early}}}{\text{Preference Share Value}_{\text{initial}}}$$

where:

**"Preference Share Value<sub>early</sub>"** means the Preference Share Value on the Early Preference Share Redemption Date.

**"Early Redemption Date"** means the date selected by the Issuer falling not more than 10 Business Days immediately succeeding the date on which the illegality, force majeure, Potential Adjustment Event, Additional Disruption Event, Optional Additional Disruption Event or Extraordinary Event, as the case may be, occurs.

**"Early Redemption Notice"** means the notice of early redemption given in respect of the Preference Shares.

**"Final Valuation Date"** means the Preference Share Redemption Valuation Date.

**"Initial Valuation Date"** means the Issue Date or, if the date for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Initial Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Calculation Agent.

**"Preference Share"** means the redeemable Preference Shares specified in the applicable Final Terms issued by BNP Paribas Synergy Limited (the "**Preference Share Issuer**").

**"Preference Share Redemption Valuation Date"** means the date specified as such in the applicable Final Terms or if the date for valuation of or any determination of the underlying asset or reference basis (or any part thereof) for the Preference Shares falling on or about such day is to be delayed in accordance with the terms and conditions of the Preference Shares by reason of a disruption or adjustment event, the Preference Share Redemption Valuation Date shall be such delayed valuation or determination date(s), all as determined by the Calculation Agent.

**"Preference Share Value"** means, in respect of any day, the market value of a Preference Share on such day, at a time prior to any redemption of such Preference Share, as determined by the Calculation Agent in good faith and in a commercially reasonable manner.

**"Redemption Date"** means the Scheduled Redemption Date specified in the applicable Final Terms or if later, the second Business Day immediately following the Preference Share Redemption Valuation Date.

## **2. General Conditions and the Share Security Conditions**

The General Conditions and the Share Security Conditions as amended below shall apply to the Certificates, save that references to "Share Company", "Share" and "Shares" shall be deemed to be references to "Preference Share Issuer", "Preference Share" and "Preference Shares" respectively.

## **3. Amendments to the General Conditions**

- 3.1 General Condition 12 (Further Issues) shall be deleted and the following substituted therefor:

### **"12. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of Holders to create and issue further Securities so as to be consolidated with and form a single series with the outstanding Securities, provided that, the aggregate nominal value of all further issues of Securities does not exceed the nominal value of the original issue of Securities, provided that, in the case of U.S. Securities, if (i) such further Securities are treated as debt for U.S. federal income tax purposes, (ii) either the original Securities or such further Securities are issued in compliance with Rule 144A and (iii) such further Securities are not (1) issued pursuant to a "qualified reopening" of the original series, (2) treated as part of the same "issue" of debt instruments as the original series or (3) issued with no more than a *de minimis* amount of original discount, in each case for U.S. federal income tax purposes, such further Securities will have a separate ISIN or other identifier."

- 3.2 If the Issuer redeems the Certificates pursuant to General Condition 7.1 (Illegality) or General Condition 7.2 (Force Majeure), then, notwithstanding any provision to the contrary in General Condition 7.1 (Illegality) or General Condition 7.2 (Force Majeure), the Issuer will redeem each Certificate by paying an amount to each Holder in respect of each Certificate held by such Holder equal to the Early Redemption Amount on the Early Redemption Date.

- 3.3 General Condition 15.2 shall be deleted and the following substituted therefor:

"15.2 If an Additional Disruption Event and/or an Optional Additional Disruption Event occurs, the Issuer may (but is not obliged to) on giving notice to the Holders in accordance with Condition 10 redeem all (but not some only) of the Certificates each Certificate being redeemed at the Early Redemption Amount on the Early Redemption Date."

3.4 General Condition 15.3 will not apply to the Certificates.

#### **4. Amendments to the Share Security Conditions**

4.1 Share Security Condition 1, Share Security Condition 2 and Share Security Condition 5 will not apply to the Certificates.

4.2 Share Security Condition 3 shall be amended by:

(i) the deletion of the last two paragraphs thereof and the substitution of the following therefor:

"Following the declaration by the Preference Share Issuer of the terms of any Potential Adjustment Event, the Issuer may (but is not obliged to) on giving notice to the Holders in accordance with Condition 10 redeem all (but not some only) of the Certificates each Certificate being redeemed at the Early Redemption Amount on the Early Redemption Date."; and

(ii) the deletion of the words ", provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights" in sub-paragraph (f) of the definition of "Potential Adjustment Event".

4.3 Share Security Condition 4 shall be amended by the deletion of Share Security Condition 4.2 and the substitution of the following therefor:

"4.2 Consequences of the occurrence of an Extraordinary Event:

If an Extraordinary Event occurs in relation to a Preference Share, the Issuer may (but is not obliged to) on giving notice to the Holders in accordance with Condition 10 redeem all (but not some only) of the Certificates each Certificate being redeemed at the Early Redemption Amount on the Early Redemption Date."

4.4 "De-Listing" will not apply to the Certificates.

#### **5. Early Redemption**

If in the determination of the Calculation Agent the Preference Share Issuer gives an Early Redemption Notice in respect of the Preference Shares, the Issuer shall give notice to Holders in accordance with General Condition 10 (save that any such notice delivered to a relevant Clearing System shall be deemed to have been given on the first Business Day following such delivery) and redeem all but not some only of the Certificates, each Certificate being redeemed at the Early Redemption Certificate Amount on the Early Preference Share Redemption Date.

#### **6. Cash Settlement Amount**

The Cash Settlement Amount to be paid on the Redemption Date in respect of each Certificate is an amount equal to:

$$\text{Issue Price} \times \frac{\text{Preference Share Value}_{\text{final}}}{\text{Preference Share Value}_{\text{initial}}}$$

where:

"**Preference Share Value<sub>final</sub>**" means the Preference Share Value on the Final Valuation Date; and

**"Preference Share Value<sub>initial</sub>"** means the Preference Share Value on the Initial Valuation Date.

## **7. Calculations and Determinations**

The Calculation Agent will make the calculations and determinations as described in the Conditions of the Certificates in such a manner as the Calculation Agent determines is appropriate acting in good faith and in a commercially reasonable manner (having regard in each case to the criteria stipulated in the Conditions and the hedging arrangements in respect of the Certificates).

Notwithstanding that certain calculations, determinations and adjustments in the terms and conditions of the Certificates may be expressed to be on a certain date, the Calculation Agent may make such calculations, determinations and adjustments in respect of that date on a date after that date determined by it in its discretion.

Pursuant to the Conditions the Calculation Agent has a number of discretions. These are necessary since certain circumstances or the occurrence of certain events in respect of the Certificates and the Preference Shares may materially affect the cost to the Issuer and/or its Affiliates of maintaining the Certificates and/or the Preference Shares or hedging arrangements for the Certificates or the Preference Shares, in each case before and after the occurrence of such event in a way which has not been reflected in the pricing of the Certificates or the Preference Shares. In addition, certain circumstances may arise where it is not reasonably practicable or otherwise not appropriate for certain valuations to be carried out in relation to relevant reference assets and in these circumstances the Calculation Agent also may exercise certain discretions.

## **ANNEX TO THE ADDITIONAL TERMS AND CONDITIONS FOR PREFERENCE SHARE CERTIFICATES**

### **DESCRIPTION OF THE PREFERENCE SHARE ISSUER AND THE PREFERENCE SHARES**

The following is a summary description of the Preference Share Issuer and the Preference Shares.

In respect of Preference Share Certificates, Holders will receive an amount (if any) on redemption determined by reference to the value of one or more preference shares (based on the performance of one or more Preference Share Underlyings).

#### **BNP Paribas Synergy Limited (the "Preference Share Issuer")**

The Preference Share Issuer is a private company limited by shares and was incorporated under the Companies Act 2006 on 01 February 1989 (with registered number 02342280). The Preference Share Issuer has its registered office at C/O Anson Fund Services Limited, 3500 Parkway Whiteley, Fareham, Hampshire, PO15 7AL, United Kingdom.

A copy of the Preference Share Issuer's constitutional documents, its audited, non-consolidated annual financial statements, when published, and the Terms of the Preference Shares (as defined below) are available (free of charge) from the registered office of the Preference Share Issuer.

The sole business activity of the Preference Share Issuer is to issue redeemable preference shares. Accordingly, the Preference Share Issuer does not have any trading assets and does not generate any significant net income.

#### **The Preference Shares**

The Preference Share Issuer may issue redeemable preference shares of any kind, including but not limited to preference shares linked to a specified index or basket of indices, share or basket of shares, currency or basket of currencies, debt instrument or basket of debt instruments, commodity or basket of commodities or to such other underlying instruments, bases of reference or factors (the "**Preference Share Underlying**") and on such terms as may be determined by the Preference Share Issuer and specified in the applicable specific terms and conditions of the relevant series of preference shares (the "**Terms of the Preference Shares**").

The performance of the Preference Shares depends on the performance of the Preference Share Underlying to which the Preference Shares are linked. In determining the value of the Preference Shares, the Preference Share Calculation Agent shall employ the calculation procedure and methodology set out in the applicable Terms of the Preference Shares.

The value of the Preference Shares will be published on an internationally recognised published or electronically displayed price source, as specified in the applicable Final Terms.

#### **Exposure to the Preference Share Underlying**

The Preference Share Underlying may be a specified index or basket of indices, a specified equity or basket of equities, a specified currency or basket of currencies, a specified commodity, commodity index, basket of commodities or commodity indices, a specified fund share or unit or fund indices or basket of fund shares or units or fund indices or such other underlying instruments, bases of reference or factors as may be determined by the Preference Share Issuer and specified in the Terms of the Preference Shares. Consequently, investors should also consider the risk factors set out in the "Risks" section in respect of the risks involved in investing in Securities (in this case the preference shares) linked to certain relevant underlying reference assets.

The Terms of the Preference Shares provide that the preference shares will be redeemable on their final redemption date (or otherwise in accordance with the Terms of the Preference Shares). On redemption, the preference shares will carry preferred rights to receive an amount calculated by reference to the performance of the Preference Share Underlying.

#### **Potential conflicts of interest in relation to Preference Share Certificates**

The Preference Share Issuer, BNP Paribas Arbitrage S.N.C. in its capacity as the Calculation Agent in respect of the preference shares (the "**Preference Share Calculation Agent**"), the Issuers and the Guarantor are each members of the BNP Paribas Group and are affiliates or subsidiaries of the Calculation Agent. As a result of these relationships, potential conflicts of interest may arise between such parties acting in their respective capacities. Subject to any relevant regulatory obligations, the Preference Share Issuer and the Preference Share Calculation Agent owe no duty or responsibility to the relevant Issuer and Guarantor (if applicable) or any Holder to avoid any conflict or to act in the interests of any Holder. The Preference Share Issuer may also rely on members of the BNP Paribas Group (including the Preference Share Calculation Agent) or other service providers to perform its operational requirements. In the event any relevant BNP Paribas Group entities or other service providers fail to perform any obligations, this may adversely affect the value of the preference shares and potentially the amounts payable under the Certificates.

In addition to providing calculation agency services to the Preference Share Issuer, BNP Paribas Arbitrage S.N.C. or any of its affiliates, may perform further or alternative roles relating to the Preference Share Issuer and any other series of preference shares including, but not limited to, for example, being involved in arrangements relating to any of the underlying reference assets (for example as a calculation agent). Further, BNP Paribas Arbitrage S.N.C. or any of its affiliates may contract with the Preference Share Issuer and/or enter into transactions which relate to the Preference Share Issuer, the preference shares or any of the underlying reference assets and as a result BNP Paribas Arbitrage S.N.C. may face a conflict between its obligations as Preference Share Calculation Agent and its and/or its affiliates' interests in other capacities.

## ANNEX 14

### ADDITIONAL TERMS AND CONDITIONS FOR OET CERTIFICATES

The terms and conditions applicable to OET Certificates shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**OET Certificate 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 OET Certificate Conditions, the OET Certificate Conditions shall prevail. In the event of any inconsistency between (i) the General Conditions and/or the OET Certificate Conditions and (ii) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

"**Automatic Early Redemption Event**" means that, as determined by the Calculation Agent, at the Observation Time(s) on an Automatic Early Redemption Valuation Date (the "**Relevant Automatic Early Redemption Valuation Date**"):

- (a) with respect to an OET Call Certificate, the Observation Price is less than or equal to the applicable Security Threshold; or
- (b) with respect to an OET Put Certificate, the Observation Price is greater than or equal to the applicable Security Threshold;

"**Automatic Early Redemption Valuation Date**" means each Relevant Business Day from (and including) the Issue Date (notwithstanding the occurrence of (in the case of Index OET Certificates, Share OET Certificates, ETI OET Certificates or Currency OET Certificates) a Disrupted Day or (otherwise) a Market Disruption Event);

"**Capitalised Exercise Price**" or "**CEP<sub>t</sub>**" means, in respect of a calendar day (day<sub>t</sub>), unless otherwise specified in the applicable Final Terms, an amount calculated as follows:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360}$$

Except that:

- (a) with respect to Share OET Certificates, ETI OET Certificates and Index OET Certificates (where dividends on the Index Shares (as defined below) are not reinvested in the relevant Index), and where day<sub>t</sub> is an Ex-Dividend Date, the Capitalised Exercise Price will be calculated as follows:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} - \text{Dividend Adjustment Amount}$$

with respect to Rolling Futures Contract Securities, and where day<sub>t</sub> is a Futures Rollover Date, the Capitalised Exercise Price will be calculated as follows:

$$CEP_t = CEP_{t-1} * (1 + \text{Financing Rate}_{t-1})^{1/360} + \text{Futures Rollover Adjustment Amount}$$

for the purposes of this definition:

"**CEP<sub>t-1</sub>**" means the Capitalised Exercise Price applicable on day<sub>t-1</sub>, provided that the Capitalised Exercise Price applicable on the Issue Date shall be equal to the Exercise Price;

**"Dividend Adjustment Amount"** means, in respect of an Ex-Dividend Date, an amount determined by the Calculation Agent equal to:

- (a) with respect to OET Call Certificates, (i) the sum of the cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share) related to such Ex-Dividend Date net of applicable withholding taxes multiplied by (ii) the Dividend Percentage; or
- (b) with respect to OET Put Certificates, (i) the sum of the cash dividends and/or other cash distributions payable in respect of the relevant Underlying Reference (or in the case of an Index, in respect of each Index Share) related to such Ex-Dividend Date multiplied by (ii) the Dividend Percentage;

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

**"Exercise Price"** means the price specified as such in the applicable Final Terms;

**"Financing Rate<sub>t-1</sub>"** means the Financing Rate applicable on day<sub>t-1</sub>;

**"Futures Rollover Adjustment Amount"** means an amount, which may be positive or negative, calculated by the Calculation Agent representing the cost to the Issuer and/or its Affiliates of unwinding its hedging arrangements in the Current Exchange-traded Contract or the relevant Futures Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of establishing hedging arrangements in the next Current Exchange-traded Contract or Futures Contract, as the case may be, in each case in respect of the relevant Futures Rollover Date, such amount to be allocated *pro rata* amongst the Certificates.

The Capitalised Exercise Price will be made available (subject to technical failure) during normal business hours on any Local Business Day during the term of the OET Certificates, on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Holders;

**"Cash Settlement Amount"** means the amount to which the Holder is entitled in the Settlement Currency in relation to each Certificate, as determined by the Calculation Agent pursuant to the provisions set out in the applicable Final Terms or if not so set out, in accordance with the following provisions:

- (a) upon redemption at the discretion of the Issuer, in respect of OET Call Certificates, the Cash Settlement Amount shall be equal to the higher of (i) zero and (ii) the Final Price less the Capitalised Exercise Price, in each case on the Valuation Date, divided by Parity;
- (b) upon redemption at the discretion of the Issuer, in respect of OET Put Certificates, the Cash Settlement Amount shall be equal to the higher of (i) zero and (ii) the Capitalised Exercise Price less the Final Price, in each case on the Valuation Date, divided by Parity;
- (c) if Automatic Early Redemption Event is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, in respect of an OET Call Certificate (other than an OET Call Certificate in respect of which the Security Threshold equals the Capitalised Exercise Price), the Cash Settlement Amount shall be equal to the higher of (i) zero and (ii) the Final Price less the Capitalised Exercise Price, in each case on the Valuation Date, divided by Parity;
- (d) if Automatic Early Redemption Event is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, in respect of an OET Put Certificate (other



than an OET Put Certificate in respect of which the Security Threshold equals the Capitalised Exercise Price), the Cash Settlement Amount shall be equal to the higher of (i) zero and (ii) the Capitalised Exercise Price less the Final Price, in each case on the Valuation Date, divided by Parity;

- (e) if Automatic Early Redemption Event is specified as applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, in respect of an OET Put Certificate or an OET Call Certificate, if the Security Threshold equals the Capitalised Exercise Price, the Cash Settlement Amount shall be zero,

in each case, multiplied by the Conversion Rate on the Valuation Date.

The Cash Settlement Amount shall, unless specified otherwise in the applicable Final Terms, be rounded to the nearest sub-unit of the relevant Settlement Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;

**"Conversion Rate"** means rate or exchange between the currency of the relevant Underlying Reference and the Settlement Currency, as specified as such in the applicable Final Terms;

**"Ex-Dividend Date"** means, with respect to a Share, ETI Interest (in respect of which a dividend is paid) or share comprising an Index (an **"Index Share"**), the date on which such Share, ETI Interest or Index Share becomes "ex-dividend" as determined by the Calculation Agent;

- (a) **"Final Price"** means, unless specified otherwise in the applicable Final Terms: if Automatic Early Redemption is not specified as being applicable in the applicable Final Terms or if Automatic Early Redemption Event is specified as being applicable in the applicable Final Terms but no Automatic Early Redemption Event has occurred, the Settlement Price or, in the case of Commodity Securities, the Relevant Price on the Valuation Date; or
- (b) if Automatic Early Redemption Event is specified as being applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, unless specified otherwise in the applicable Final Terms, the Final Price, in relation to an OET Call Certificate or an OET Put Certificate (other than an OET Call Certificate or an OET Put Certificate in respect of which the Security Threshold equals the Capitalised Exercise Price), shall be the price of the relevant Underlying Reference determined by the Calculation Agent on the basis of the price obtained by unwinding any underlying related hedging arrangements in respect of the relevant OET Certificates during the three-hour period immediately following the occurrence of the Automatic Early Redemption Event, provided that (i) the Final Price in respect of an OET Call Certificate will be no lower than the lowest Observation Price and (ii) the Final Price in respect of an OET Put Certificate will be no greater than the highest Observation Price, in each case determined by the Calculation Agent during such three-hour period, or otherwise, during the opening hours of the relevant Exchange. With respect to OET Certificates relating to an Index, Share, Commodity or ETI Interest, the above-mentioned three-hour period shall be counted during the opening hours of the relevant Exchange. Accordingly, if the period between the occurrence of the Automatic Early Redemption Event and the official closing time of the relevant Exchange is less than three hours, then the observation period shall extend to the following Relevant Business Day, until a full period of three hours has passed since the occurrence of the Automatic Early Redemption Event;

**"Financing Rate"** means, in respect of a day (day<sub>i</sub>), the rate calculated as set out in the applicable Final Terms for such day<sub>i</sub>, if applicable, which may include or comprise a fixed positive margin (in the case of

OET Call Certificates) or a fixed negative margin (in the case of OET Put Certificates). For the avoidance of doubt, the Financing Rate may be negative;

**"Local Business Day"** means a day (other than a Saturday or a Sunday) on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the Local Business Day Centre(s) specified in the applicable Final Terms;

**"Observation Price"** means the "official level", "opening price", "closing price", "purchase price", "sale price", "last price", "bid price", "asked price", "traded price" or any other level, rate or price specified in the applicable Final Terms, of the Underlying Reference as determined by the Calculation Agent at the Observation Time(s);

**"Observation Time(s)"** means the time(s) or period(s) of observation specified as such in the applicable Final Terms;

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

**"Relevant Business Day"** means, unless otherwise specified in the applicable Final Terms, an Exchange Business Day (in respect of OET Certificates other than Commodity OET Certificates, Currency OET Certificates or OET Certificates relating to a Custom Index), a Custom Index Business Day (in respect of Custom Index Securities), a Commodity Business Day (in respect of Commodity Securities) or a Scheduled Trading Day (in respect of Currency Securities), as applicable;

**"Reset Date"** means, unless otherwise specified in the applicable Final Terms, each calendar day in the period from and excluding the Issue Date to and including the Redemption Date;

**"Security Percentage"** means the percentage specified as such in the applicable Final Terms. The Security Percentage may be adjusted by the Calculation Agent on each Reset Date in order to take into account changes in market conditions (including, in particular, volatility), provided that the adjusted Security Percentage (a) unless the Security Percentage is equal to zero, falls between the "Minimum Security Percentage" and the "Maximum Security Percentage" specified in the applicable Final Terms and (b) does not trigger the occurrence of an Automatic Early Redemption Event;

**"Security Threshold"** means the amount calculated as follows by the Calculation Agent and rounded upwards or downwards in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms:

- (a) in the case of OET Call Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule specified in the applicable Final Terms, of (i) the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, plus the Security Percentage; and
- (b) in the case of OET Put Certificates, an amount equal to the product, rounded in accordance with the Security Threshold Rounding Rule, (i) of the Capitalised Exercise Price as at the relevant Reset Date and (ii) one, minus the Security Percentage,

which, in each case, is available (subject to technical problems) during normal business hours on any Local Business Day during the term of the relevant OET Certificates on the OET Website(s) specified in the applicable Final Terms or such other website as may be notified to the Holders;

**"Settlement Currency"** means Euro, unless otherwise specified in the applicable Final Terms;

**"Underlying Reference"** means the relevant Index, Share, ETI Interest, Commodity, Subject Currency or other basis of reference to which the relevant Certificates relate, as specified in the Product Specific Provisions of the applicable Final Terms; and

**"Valuation Date"** means, unless otherwise specified in the applicable Final Terms, (a) the date designated as such by the Issuer, in its sole and absolute discretion, provided that such date is determined by the Issuer and notified to the Holders in accordance with General Condition 10 at the latest on the tenth (10th) Relevant Business Day preceding the contemplated Valuation Date, or (b) if Automatic Early Redemption is specified as being applicable in the applicable Final Terms and an Automatic Early Redemption Event occurs, the Relevant Automatic Early Redemption Valuation Date, or in each case, if such date is not a Relevant Business Day, the next following Relevant Business Day and subject to adjustment in accordance with the relevant Conditions.

If (i) the Issuer designates a date as being the Valuation Date in accordance with these Terms and Conditions and (ii) an Automatic Early Redemption Event occurs after such designation but prior to the designated Valuation Date, then the Valuation Date shall be deemed to be the Relevant Automatic Early Redemption Valuation Date as determined pursuant to this definition.

## **2. Automatic Early Redemption**

If "Automatic Early Redemption" is specified as being applicable in the applicable Final Terms, then unless previously redeemed or purchased and cancelled, if an Automatic Early Redemption Event occurs, then the Certificates will be automatically redeemed in whole, but not in part, on the date falling on the fifth Business Day following the Valuation Date, unless specified otherwise in the applicable Final Terms, and the Early Redemption Amount payable by the Issuer upon redemption of each Certificate shall be an amount equal to the relevant Cash Settlement Amount.

## ANNEX 15

### ADDITIONAL TERMS AND CONDITIONS FOR LISTED OPTION SECURITIES

The terms and conditions applicable to Listed Option Securities shall comprise the Terms and Conditions of the Securities (the "**General Conditions**") and the additional Terms and Conditions set out below (the "**Listed Option Security 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 Listed Option Security Conditions, the Listed Option Security Conditions shall prevail. In the event of any inconsistency between (a) the General Conditions and/or the Listed Option Security Conditions and (b) the Final Terms, the Final Terms shall prevail.

#### 1. Definitions

**"Basket of Listed Option Contracts"** means a basket composed of each Listed Option Contract specified in the applicable Final Terms in the weightings specified in the applicable Final Terms;

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

**"Clearance System Days"** means, in respect of a Clearance System, any day on which such Clearance System is (or, but for the occurrence of an event which results in the Clearance System being unable to clear the transfer of a relevant option contract would have been) open for the acceptance and execution of settlement instructions;

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

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

**"Early Closure"** means the closure on any Exchange Business Day of any relevant Options Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Options Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Options Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Options Exchange system for execution at the Valuation Time on such Exchange Business Day;

**"Exchange Business Day"** means either (a) in the case of a single Listed Option Contract, Exchange Business Day (Single Listed Option Contract Basis) or (b) in the case of a Basket of Listed Option Contracts, (i) Exchange Business Day (All Listed Option Contracts Basis) or (ii) Exchange Business Day (Per Listed Option Contract Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Exchange Business Day (All Listed Option Contracts Basis) shall apply;

**"Exchange Business Day (All Listed Option Contracts Basis)"** means any Scheduled Trading Day on which each Options Exchange in respect of each Listed Option Contract are open for trading during their respective regular trading session(s), notwithstanding any such Options Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Per Listed Option Contract Basis)"** means, in respect of a Listed Option Contract, any Scheduled Trading Day on which the relevant Options Exchange in respect of such Listed Option Contract is open for trading during its regular trading session(s), notwithstanding any such Options Exchange closing prior to its Scheduled Closing Time;

**"Exchange Business Day (Single Listed Option Contract Basis)"** means any Scheduled Trading Day on which the relevant Options Exchange in respect of such Listed Option Contract is open for trading during its regular trading session(s), notwithstanding any such relevant Options 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 to effect transactions in, or obtain market values for, the relevant Listed Option Contract on the relevant Options Exchange;

**"Listed Option Contract"** means the option contract(s) specified as such in the applicable Final Terms, in each case, identified by reference to (a) the underlying asset(s) or basis (or bases) of reference to which it relates, (b) the contract size, (c) the option style, (d) the tenor and expiry date and (e) the Options Exchange on which such contract is traded;

**"Non-Availability of a Listed Option Contract Price"** means that on any Scheduled Trading Day that is not a Disrupted Day there is no Official Settlement Price of the relevant Listed Option Contract (other than where a Non-Commencement or Discontinuance of a Listed Option Contract has occurred);

**"Non-Commencement or Discontinuance of a Listed Option Contract"** means there is no Official Settlement Price as a result of the fact that trading in the Listed Option Contract never commences or is permanently discontinued at any time on or prior to any Valuation Date, Observation Date, Averaging Date or other date for valuation or observation or other relevant date, as the case may be, of the relevant Listed Option Contract;

**"Official Settlement Price"** means the daily or final, as applicable, settlement price (howsoever described under the rules of the relevant Options Exchange or its clearing house) of the relevant Listed Option Contract published by the relevant Options Exchange or its clearing house and as determined by the Calculation Agent;

**"Options Exchange"** means, in respect of a Listed Option Contract, the relevant exchange specified in the description of the Listed Option Contract in the applicable Final Terms;

**"Scheduled Trading Day"** means either (a) in the case of a single Listed Option Contract, Scheduled Trading Day (Single Listed Option Contract Basis) or (b) in the case of a Basket of Listed Option Contracts, (i) Scheduled Trading Day (All Listed Option Contracts Basis) or (ii) Scheduled Trading Day (Per Listed Option Contract Basis), in each case as specified in the applicable Final Terms, provided that if no such specification is made in the applicable Final Terms, Scheduled Trading Day (All Listed Option Contracts Basis) shall apply;

**"Scheduled Trading Day (All Listed Option Contracts Basis)"** means any day on which the Official Settlement Price in respect of each Listed Option Contract is published by the relevant Options Exchange;

**"Scheduled Trading Day (Per Listed Option Contracts Basis)"** means, in respect of a Listed Option Contract, any day on which the Official Settlement Price for such Listed Option Contract is published by the relevant Options Exchange;

**"Scheduled Trading Day (Single Listed Option Contract Basis)"** means any day on which the Official Settlement Price for the relevant Listed Option Contract is published by the relevant Options Exchange;

**"Settlement Cycle"** means the period of Clearance System Days following a trade in the Listed Option Contract on the Options Exchange in which settlement will customarily occur according to the rules of such Options Exchange;

**"Settlement Price"** means, unless otherwise stated in the applicable Final Terms, in relation to each Cash Settled Security or, in the case of Warrants, if Units are specified in the applicable Final Terms, each Unit, as the case may be, subject to the provisions of this Annex 15:

- (a) in the case of Listed Option Securities relating to a Basket of Listed Option Contracts and in respect of each Listed Option Contract comprising the Basket of Listed Option Contracts, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Listed Option Currency (in the case of Certificates) equal to the Official Settlement Price of the relevant Listed Option Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date; and
- (b) in the case of Listed Option Securities relating to a single Listed Option Contract, an amount (which shall be deemed to be a monetary value in the same currency as the Exercise Price (in the case of Warrants) or the Listed Option Currency (in the case of Certificates) equal to the Official Settlement Price of the relevant Listed Option Contract as determined by the Calculation Agent on (i) if Averaging is not specified in the applicable Final Terms, the relevant Settlement Price Date or (ii) if Averaging is specified in the applicable Final Terms, an Averaging Date;

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

**"Trading Disruption"** means any suspension of or limitation imposed on trading by the relevant Options Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Options Exchange or otherwise relating to the relevant Listed Option Contract on the relevant Options Exchange.

## **2. Market Disruption**

**"Market Disruption Event"** means, in respect of a Listed Option Contract, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that ends at the relevant Valuation Time, or (iii) an Early Closure.

The Calculation Agent will give notice as soon as practicable to the Holders in accordance with General Condition 10 of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been the Strike Date, an Averaging Date, an Observation Date, the Automatic Early Redemption Valuation Date or a Valuation Date, as the case may be.

## **3. Adjustments to a Listed Option Contract**

In the event that the terms of a Listed Option Contract are changed or modified by the Options Exchange, the Calculation Agent will make the equivalent adjustment, if any, to any of the General Conditions and/or the Listed Option Security Conditions and/or the applicable Final Terms to account for such change or modification.

**4. Non-Availability of a Listed Option Contract Price and Non-Commencement or Discontinuance of a Listed Option Contract**

4.1 Where there is a Non-Availability of a Listed Option Contract Price on any relevant date that is not the expiry date of the relevant Listed Option, the Official Settlement Price will be calculated by the Calculation Agent for such day using its good faith estimate of the daily or final, as applicable, settlement price of such Listed Option Contract.

4.2 Where there is (i) a Non-Availability of a Listed Option Contract Price on any relevant date that is the expiry date of the relevant Listed Option Contract or (ii) a Non-Commencement or Discontinuance of a Listed Option Contract:

- (a) if in the determination of the Calculation Agent, the relevant Options Exchange has substituted the Listed Option Contract for another option contract (the "**Replacement Listed Option Contract**") (a "**Listed Option Contract Substitution**"), the Calculation Agent will substitute the Listed Option Contract for the Replacement Listed Option Contract and the Replacement Listed Option Contract will be deemed to be the Listed Option Contract for the purposes of the Securities and the Calculation Agent will make such adjustments, if any, to any of the terms of these Terms and Conditions and/or the applicable Final Terms, as it in its sole and absolute discretion determines appropriate, and following such substitution and adjustment will make the relevant calculations and determinations in respect of the Securities; or
- (b) in the case of Warrants, if the relevant Options Exchange does not make a Listed Option Contract Substitution, the Issuer may on giving notice to Holders in accordance with General Condition 10, cancel all but not some only of the Warrants, or if Units are specified in the applicable Final Terms, Units, as the case may be, by payment of an amount equal to the fair market value of a Warrant or a Unit, as the case may be, taking into account the Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of a Listed Option Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, 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 Holders in accordance with General Condition 10; or
- (c) in the case of Certificates and if the relevant Options Exchange does not make a Listed Option Contract Substitution;
  - (i) unless Delayed Redemption on Occurrence of a Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of a Listed Option Contract is specified as being applicable in the applicable Final Terms, on giving notice to Holders in accordance with General Condition 10 redeem all but not some only of the Certificates at the amount equal to the fair market value of a Certificate or a Unit, as the case may be, taking into account the Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of a Listed Option Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent in its sole and absolute discretion. Payments will be made in such manner as shall be notified to the Holders in accordance with General Condition 10; or
  - (ii) if Delayed Redemption on Occurrence of Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of a Listed Option Contract is specified as being applicable in the applicable Final Terms, the Calculation Agent shall

calculate the fair market value of each Certificate taking into account the Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of a Listed Option Contract, as the case may be, less the cost to the Issuer and/or its Affiliates of unwinding any underlying related hedging arrangements (the "**Calculated Adjusted Amount**") as soon as practicable following the occurrence of the Non-Availability of a Listed Option Contract Price or Non-Commencement or Discontinuance of the Listed Option Contract, as the case may be, (the "**Calculated Adjusted Amount Determination Date**") and on the Redemption Date shall redeem each Certificate at an amount calculated by the Calculation Agent equal to (x) the Calculated Adjusted Amount plus interest accrued from and including the Calculated Adjusted Amount Determination Date to but excluding the Redemption Date at a rate equal to Issuer's funding cost at such time or (y) if Principal Protected Termination Amount is specified as applicable in the applicable Final Terms and if greater, the Notional Amount.

**5. Correction of the Official Settlement Price**

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

**6. Notice**

The Calculation Agent shall, as soon as practicable, notify the relevant Security Agent of any determination made by it pursuant to Listed Option Security Conditions 3, 4 or 5 and the action proposed to be taken in relation thereto and the Calculation Agent shall make available for inspection by Holders copies of any such determinations.



### **USE OF PROCEEDS**

Unless otherwise specified in the applicable Final Terms, the net proceeds from each issue of Securities will become part of the general funds of BNPP B.V. or BNPP, as the case may be. Such proceeds may be used to maintain positions in options or futures contracts or other hedging instruments.

## FORM OF THE ENGLISH LAW GUARANTEE FOR UNSECURED SECURITIES

**THIS GUARANTEE** is made by way of deed on 31 May 2023 by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNPP have established a Warrant and Certificate Programme (the "**Programme**") under which BNPP and BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants and certificates governed by English law (the "**Securities**") of any kind including, but not limited to, those relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Security Condition 1)), preference share, GDR or ADR or a basket of shares (or Stapled Shares (as defined in Share Security Condition 1)), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, a specified future or basket of futures, a specified listed option contract or basket of listed option contracts, Credit Securities, Open End Certificates or OET Certificates. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities in the manner and to the extent set out herein.

The Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 31 May 2023 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas, Succursale de Luxembourg as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Deed of Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Guarantee to any obligations or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to, if applicable, in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the guarantee itself is not the subject of such bail-in).

In respect of all Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 1 June 2022 granted by the Guarantor in respect of Securities issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees by way of deed poll to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance. In case of the failure of BNPP B.V. to satisfy such obligations as and when the same become due, BNPP hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 11

hereof PROVIDED THAT in the case of Securities other than Credit Securities (A) in the case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Condition 5.2) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

## **2. BNPP as Principal Obligor**

As between BNPP and the Holder of each Security but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BNPP B.V. or any other person for payment or performance of any other obligation in respect of any Security, (4) the enforcement or absence of enforcement of any Security or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (7) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

## **3. BNPP's Obligations Continuing**

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Security (in the case where the relevant Security is a Warrant, subject to its exercise). Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity. BNPP irrevocably waives all notices and demands of any kind.

## **4. Status**

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with

all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

**5. Exercise of BNPP's Rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, the Holder of any Security is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP and this Guarantee will continue to apply as if such payment or obligation had at all times remained due and owing by BNPP B.V.

**7. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or deliverable under the Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Holder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Holder on demand and (2) as a primary obligation to indemnify each Holder against any loss suffered by it as a result of any sum or obligation expressed to be payable or deliverable under the Securities not being paid or performed by the time, on the date and otherwise in the manner specified in the Securities or any obligation of BNPP B.V. under the Securities being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BNPP B.V., BNPP or any Holder), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BNPP B.V. in respect of the relevant sum. The second sentence of Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 7.

**8. Resolution proceedings against the Guarantor**

By its acquisition of the Securities, each Holder (which, for the purposes of this Clause 8, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below) if the latter was to consider that the Amounts Due fall within the scope of the Bail-in or Loss Absorption Power. This Bail-in or Loss Absorption Power may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Guarantor or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Guarantee, in which case the Holder

agrees to accept in lieu of its rights under this Guarantee any such shares, other securities or other obligations of the Guarantor or another person;

- (iii) the cancellation of this Guarantee; and/or
  - (iv) the amendment or alteration of the term of this Guarantee, including by suspending payment for a temporary period;
- (b) if applicable, that the terms of this Guarantee are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are (a)(i) (in the case of Securities that are Certificates) the amounts payable on, or the Entitlement deliverable in respect of, each Security that has not been previously redeemed or cancelled or is otherwise no longer due or (ii) (in the case of Securities that are Warrants) the amounts payable on, or the Entitlement deliverable in respect of, each Security on exercise or cancellation or (b) the amounts payable by the Guarantor under this Guarantee.

The "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "**Regulated Entity**" is any entity referred to in Section I of Article L.613-34 of the French Code monétaire et financier, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power against the Guarantor from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

The matters set forth in this Clause 8 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Guarantor and any holder of Securities.

**9. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

**10. Deposit of Guarantee**

This Guarantee shall be deposited with and held by BNP Paribas, Succursale de Luxembourg for the benefit of the Holders at its specified office.

**11. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 37 Avenue de l'Opéra, 75002 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**12. Governing law**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

**13. Jurisdiction**

The courts of England in London shall have the exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

**14. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

**15. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available from that Act.

Executed as a Deed

By BNP PARIBAS )  
 acting by )  
 acting under the authority )  
 of that company )

**IN WITNESS** whereof this Guarantee has been executed and delivered by BNP Paribas as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE ENGLISH LAW GUARANTEE FOR SECURED SECURITIES

**THIS GUARANTEE** is made by way of deed on 31 May 2023 by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Secured Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") has established a Warrant and Certificate Programme (the "**Programme**") under which BNPP and BNPP B.V. may from time to time issue, *inter alia*, secured warrants and certificates governed by English law (the "**Secured Securities**"), but not limited to, those relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Security Condition 1)), preference share, GDR or ADR or a basket of shares (or Stapled Shares (as defined in Share Security Condition 1)), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, a specified future or basket of futures, a specified listed option contract or basket of listed option contracts, Credit Securities, Open End Certificates or OET Certificates. In respect of Secured Securities, BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the Collateral Agent on behalf of itself and the relevant Holders. BNPP intends to guarantee the obligations of BNPP B.V. under the Secured Securities in the manner and to the extent set out herein.

The Secured Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 31 May 2023 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas, Succursale de Luxembourg as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Additional Terms and Conditions for Secured Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Deed of Guarantee for Secured Securities shall have the same meanings when used in this Guarantee.

In respect of all Secured Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 1 June 2022 granted by the Guarantor in respect of Secured Securities issued under the Programme.

**NOW THIS DEED WITNESSES** as follows:

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees by way of deed poll to each Holder that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason BNPP B.V. does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 11 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition



6.2. Payment of an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

For the purposes of this Guarantee:

"**Shortfall**" means the amount, following liquidation and realisation of the Collateral Assets in the relevant Collateral Pool, by which the amount paid to the Holder of the relevant Secured Security by, or on behalf of the Issuer, is less than the Security Termination Amount payable in respect of such Secured Security.

## **2. BNPP as Principal Obligor**

As between BNPP and the Holder of each Secured Security but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2, (iii) the Security Realised Amount is less than the Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 11 hereof. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the taking, existence or release of any such security, guarantee or indemnity, (4) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (5) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

## **3. BNPP's Obligations Continuing**

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no Shortfall remains payable under any Secured Security. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise. BNPP irrevocably waives all notices and demands of any kind.

## **4. Status**

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

## **5. Exercise of BNPP's Rights**

So long as any sum remains payable under the Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V..

## **6. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, the Holder of any Secured Security is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating

to bankruptcy or insolvency, such payment will not be considered as having discharged or diminished the liability of BNPP in respect of any relevant Shortfall and this Guarantee will continue to apply in respect of any relevant Shortfall as if such payment had at all times remained due and owing by BNPP B.V.

## **7. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or deliverable under the Secured Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Holder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Holder on demand provided (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2, (iii) the Security Realised Amount is less than the Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 11 hereof and provided further that in no circumstances shall BNPP be obliged to pay an amount under this Guarantee which is greater than the relevant Shortfall. The second sentence of Clause 2 of this Guarantee shall apply mutatis mutandis to this Clause 7.

## **8. Resolution proceedings against the Guarantor**

By its acquisition of the Securities, each Holder (which, for the purposes of this Clause 8, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below) if the latter was to consider that the Amounts Due fall within the scope of the Bail-in or Loss Absorption Power. This Bail-in or Loss Absorption Power may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Guarantor or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Guarantee, in which case the Holder agrees to accept in lieu of its rights under this Guarantee any such shares, other securities or other obligations of the Guarantor or another person;
  - (iii) the cancellation of this Guarantee; and/or
  - (iv) the amendment or alteration of the term of this Guarantee, including by suspending payment for a temporary period;
- (b) if applicable, that the terms of this Guarantee are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are the amounts payable by the Guarantor under this Guarantee.

The "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "Regulated Entity" is any entity referred to in Section I of Article L.613-34 of the French Code *monétaire et financier*, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power against the Guarantor from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

The matters set forth in this Clause 8 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Guarantor and any holder of Securities.

## **9. Incorporation of Terms**

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

## **10. Deposit of Guarantee**

This Guarantee shall be deposited with and held by BNP Paribas, Succursale de Luxembourg for the benefit of the Holders at its specified office.

## **11. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 37 Avenue de l'Opéra, 75002 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or

Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**12. Governing law**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with English law.

**13. Jurisdiction**

The courts of England in London shall have the exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

**14. Service of Process**

BNPP agrees that service of process in England may be made on it at its London branch. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

**15. Contracts (Rights of Third Parties) Act 1999**

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee, but this does not affect any right or remedy of any person which exists or is available from that Act.

Executed as a Deed

By BNP PARIBAS )

acting by )

acting under the authority )

of that company )

**IN WITNESS** whereof this Guarantee has been executed and delivered by BNP Paribas as a deed on the date first above-mentioned.

Witness's signature:

Name:

Address:

## FORM OF THE FRENCH LAW GUARANTEE FOR UNSECURED SECURITIES

**THIS GUARANTEE** is made by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNPP have established a Warrant and Certificate Programme (the "**Programme**") under which BNPP and BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants and certificates governed by French law (the "**Securities**") of any kind including, but not limited to, those relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Security Condition 1)), preference share, GDR or ADR or a basket of shares (or Stapled Shares (as defined in Share Security Condition 1)), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, a specified future or basket of futures, a specified listed option contract or basket of listed option contracts, Credit Securities, Open End Certificates or OET Certificates. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities in the manner and to the extent set out herein.

The Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 31 May 2023 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas, Succursale de Luxembourg as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

Any reference in this Guarantee to any obligations or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to, if applicable, in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the guarantee itself is not the subject of such bail-in).

In respect of all Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 1 June 2022 granted by the Guarantor in respect of Securities issued under the Programme.

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance. In case of the failure of BNPP B.V. to satisfy such obligations as and when the same become due, BNPP hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 9 hereof PROVIDED THAT in the case of Securities other than Credit Securities (A) in the case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the

Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3) and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of Securities where the obligations of BNPP B.V. which fail to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Condition 5.2) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

## **2. Joint liability of BNPP and BNPP B.V.**

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Holders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Securities, (4) its duties under this Guarantee will not be conditional on or subject to the validity or execution of any other security granted by BNPP B.V. or any other person to the Holders, or to the existence or creation of any security for the benefit of the Holders, and (5) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

## **3. BNPP's continuing liability**

BNPP's obligations under this Guarantee are and will remain valid and in full effect so long as any amounts remain outstanding, or any obligation remains unperformed, under the Securities.

## **4. Status**

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

## 5. **Exercise of BNPP's Rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

## 6. **BNPP B.V. repayment**

If a payment received by, or other obligation discharged to or to the order of, any Holder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations and this Guarantee will continue to apply as if such payment or obligation had always been due from BNPP B.V.

## 7. **Resolution proceedings against the Guarantor**

By its acquisition of the Securities, each Holder (which, for the purposes of this Clause 7, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below) if the latter was to consider that the Amounts Due fall within the scope of the Bail-in or Loss Absorption Power. This Bail-in or Loss Absorption Power may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Guarantor or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Guarantee, in which case the Holder agrees to accept in lieu of its rights under this Guarantee any such shares, other securities or other obligations of the Guarantor or another person;
  - (iii) the cancellation of this Guarantee; and/or
  - (iv) the amendment or alteration of the term of this Guarantee, including by suspending payment for a temporary period;
- (b) if applicable, that the terms of this Guarantee are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are (a)(i) (in the case of Securities that are Certificates) the amounts payable on, or the Entitlement deliverable in respect of, each Security that has not been previously redeemed or cancelled or is otherwise no longer due or (ii) (in the case of Securities that are Warrants) the amounts payable on, or the Entitlement deliverable in respect of, each Security on exercise or cancellation or (b) the amounts payable by the Guarantor under this Guarantee.

The "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive



2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "**Regulated Entity**" is any entity referred to in Section I of Article L.613-34 of the French Code monétaire et financier, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power against the Guarantor from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

The matters set forth in this Clause 7 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Guarantor and any holder of Securities.

## **8. Conditions binding**

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

## **9. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 37 Avenue de l'Opéra, 75002 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**10. Governing law and jurisdiction**

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original, on 31 May 2023.

BNP PARIBAS

By:

## FORM OF THE FRENCH LAW GUARANTEE FOR SECURED SECURITIES

**THIS GUARANTEE** is made by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Secured Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNPP have established a Warrant and Certificate Programme (the "**Programme**") under which BNPP and BNPP B.V. may from time to time issue, *inter alia*, secured warrants and certificates governed by French law (the "**Secured Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Security Condition 1)), a preference share, GDR or ADR or a basket of shares (or Stapled Shares (as defined in Share Security Condition 1)), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, a specified future or basket of futures, a specified listed option contract or basket of listed option contracts, Credit Securities, Open End Certificates or OET Certificates. In respect of Secured Securities, BNPP B.V. will grant a security interest over assets held in accounts with the Custodian in favour of the Collateral Agent on behalf of itself and the relevant Holders. BNPP intends to guarantee the obligations of BNPP B.V. under the Secured Securities in the manner and to the extent set out herein.

The Secured Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 31 May 2023 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas, Succursale de Luxembourg as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Terms defined in the Additional Terms and Conditions for Secured Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee for Secured Securities shall have the same meanings when used in this Guarantee.

In respect of all Secured Securities issued on or after the date of this Guarantee, this Guarantee replaces the guarantee dated 1 June 2022 granted by the Guarantor in respect of Secured Securities issued under the Programme.

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that, if following the occurrence of an Enforcement Event and enforcement of the Pledge in respect of the relevant Collateral Pool, for any reason BNPP B.V. does not pay the Security Termination Amount in respect of a Secured Security in full, BNPP will, in accordance with the Conditions, pay an amount equal to the Shortfall in the currency in which such payment is due in immediately available funds. In case of the failure of BNPP B.V. to satisfy such obligation as and when the same becomes due, BNPP hereby undertakes to make or cause to be made such payment as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 9 hereof PROVIDED THAT BNPP shall not be obliged to make any payment under this Guarantee in respect of a Secured Security until the Collateral Assets in the Collateral Pool securing such Secured Security have been realised or liquidated in full in the manner set out in Collateral Security Condition 6.2. Payment of

an amount equal to the Shortfall in respect of a Secured Security shall constitute a complete discharge of BNPP's obligations in respect of such Secured Security.

For the purposes of this Guarantee:

"**Shortfall**" means the amount, following liquidation and realisation of the Collateral Assets in the relevant Collateral Pool, by which the amount paid to the Holder of the relevant Secured Security by, or on behalf of the Issuer, is less than the Security Termination Amount payable in respect of such Secured Security.

## **2. Joint liability of BNPP and BNPP B.V.**

BNPP hereby acknowledges, absolutely and without right to claim the benefit of any legal circumstances amounting to an exemption from liability or a guarantor's defence, that it is bound by the obligations specified below. Accordingly, BNPP acknowledges that it will not be released from liability, nor will its liability be reduced, at any time, by extension or grace periods regarding payment or performance, any waiver or any consent granted to BNPP B.V. or to any other person, or by the failure of any execution proceedings brought against BNPP B.V. or any other person provided that (i) an Enforcement Event has occurred, (ii) the Collateral Assets in the Collateral Pool which secures the relevant Secured Security have been realised or liquidated in full in accordance with Collateral Security Condition 6.2, (iii) the Security Realised Amount is less than the Security Termination Amount and (iv) a demand has been made on the Guarantor pursuant to Clause 9 hereof. Furthermore, BNPP acknowledges that (1) it will not be relieved of its obligations in the event that BNPP B.V.'s obligations become void for reasons relating to BNPP B.V.'s capacity, limitation of powers or lack thereof (including any lack of authority of persons having entered into contracts in the name, or on behalf, of BNPP B.V.), (2) its obligations under this Guarantee will remain valid and in full effect notwithstanding the dissolution, merger, takeover or reorganisation of BNPP B.V., as well as the opening of insolvency proceedings (*procédures collectives*), or any other proceedings similar to receivership or liquidation proceedings, in respect of BNPP B.V., (3) it will not avail itself of any subrogation rights in respect of the Holders' rights and that it will take no steps to enforce any rights or demands against BNPP B.V., so long as any amounts remain due; or any obligation remains unperformed, under the Secured Securities, and (4) neither the notification of, nor the serving of a formal request upon, BNPP B.V. or any other person is a prior condition to a payment or performance by BNPP under this Guarantee.

## **3. BNPP's continuing liability**

BNPP's obligations under this Guarantee are and will remain valid and in full effect until no Shortfall remains payable under any Secured Security.

## **4. Status**

This Guarantee is a senior preferred obligations (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.

## **5. Exercise of BNPP's rights**

So long as any sum remains payable under the Secured Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V..

## 6. **BNPP B.V. repayment**

If a payment received by, or other obligation discharged to or to the order of, any Holder is declared null and void under any rule relating to insolvency proceedings (*procédures collectives*), or any other procedure similar to the receivership or liquidation of BNPP B.V., such payment or obligation will not reduce BNPP's obligations in respect of any relevant Shortfall and this Guarantee will continue to apply in respect of any relevant Shortfall as if such payment or obligation had always been due from BNPP B.V.

## 7. **Resolution proceedings against the Guarantor**

By its acquisition of the Securities, each Holder (which, for the purposes of this Clause 7, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below) if the latter was to consider that the Amounts Due fall within the scope of the Bail-in or Loss Absorption Power. This Bail-in or Loss Absorption Power may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Guarantor or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Guarantee, in which case the Holder agrees to accept in lieu of its rights under this Guarantee any such shares, other securities or other obligations of the Guarantor or another person;
  - (iii) the cancellation of this Guarantee; and/or
  - (iv) the amendment or alteration of the term of this Guarantee, including by suspending payment for a temporary period;
- (b) if applicable, that the terms of this Guarantee are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are the amounts payable by the Guarantor under this Guarantee.

The "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15

July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "Regulated Entity" is any entity referred to in Section I of Article L.613-34 of the French Code *monétaire et financier*, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the *Autorité de contrôle prudentiel et de résolution*, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power against the Guarantor from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

The matters set forth in this Clause 7 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Guarantor and any holder of Securities.

#### **8. Conditions binding**

BNPP declares (i) that it has full knowledge of the provisions of the Conditions, (ii) that it will comply with them and (iii) that it will be bound by them.

#### **9. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 37 Avenue de l'Opéra, 75002 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

#### **10. Governing law and jurisdiction**

This Guarantee is governed by, and shall be construed in accordance with, French law and the competent courts within the jurisdiction of the Paris Court of Appeal (*Cour d'Appel de Paris*) will be competent to settle any litigation or proceedings relating to this Guarantee.

Executed in Paris in one original, on 31 May 2023.

BNP PARIBAS

By:

## FORM OF THE DUTCH LAW GUARANTEE FOR UNSECURED SECURITIES

**THIS GUARANTEE** is made on 31 May 2023 by BNP Paribas ("**BNPP**") in favour of the holders for the time being of the Securities (as defined below) (each a "**Holder**").

### WHEREAS:

BNP Paribas Issuance B.V. ("**BNPP B.V.**") and BNPP have established a Warrant and Certificate Programme (the "**Programme**") under which BNPP and BNPP B.V. may from time to time issue, *inter alia*, unsecured warrants governed by Dutch law (the "**Securities**") of any kind including, but not limited to, Securities relating to a specified index or a basket of indices, a specified share (or Stapled Shares (as defined in Share Security Condition 1)), preference share, GDR or ADR or a basket of shares (or Stapled Shares (as defined in Share Security Condition 1)), GDRs and/or ADRs, a specified interest in an exchange traded instrument or basket of interests in exchange traded instruments, a specified debt instrument or basket of debt instruments, a specified commodity or commodity index or basket of commodities and/or commodity indices, a specified inflation index or basket of inflation indices, a specified currency or basket of currencies, a specified fund share or unit or basket of fund shares or units, a specified future or basket of futures, a specified listed option contract or basket of listed option contracts, Credit Securities, Open End Certificates or OET Certificates. BNPP intends to guarantee the obligations of BNPP B.V. under the Securities in the manner and to the extent set out herein.

The Securities may be issued pursuant to (a) an Agency Agreement (the "**Agency Agreement**", which expression includes the same as it may be amended, supplemented or restated from time to time) dated on or around 31 May 2023 between, *inter alia*, BNPP B.V., BNPP, BNP Paribas, Succursale de Luxembourg as agent and BNP Paribas Arbitrage S.N.C. as calculation agent or (b) any other agency or analogous agreement entered into by BNPP and/or BNPP B.V. from time to time.

Any reference in this Guarantee to any obligations or sums or amounts payable under or in respect of the Securities by BNPP B.V. shall be construed to refer to, if applicable, in the event of a bail-in of BNPP, such obligations, sums and/or amounts as reduced by reference to, and in the same proportion as, any such reduction or modification applied to liabilities of BNPP following the application of a bail-in of BNPP by any relevant authority (including in a situation where the guarantee itself is not the subject of such bail-in).

Terms defined in the Terms and Conditions of the Securities, as amended and/or supplemented by the applicable Final Terms (the "**Conditions**") and not otherwise defined in this Guarantee shall have the same meanings when used in this Guarantee.

### 1. Guarantee

Subject as provided below, BNPP unconditionally and irrevocably guarantees to each Holder that, if for any reason BNPP B.V. does not pay any sum payable by it or perform any other obligation in respect of any Security on the date specified for such payment or performance BNPP will, in accordance with the Conditions pay that sum in the currency in which such payment is due in immediately available funds or, as the case may be, perform or procure the performance of the relevant obligation on the due date for such performance. In case of the failure of BNPP B.V. to satisfy such obligations as and when the same become due, BNPP hereby undertakes to make or cause to be made such payment or satisfy or cause to be satisfied such obligations as though BNPP were the principal obligor in respect of such obligation after a demand has been made on BNPP pursuant to Clause 11 hereof PROVIDED THAT in the case of Securities other than Credit Securities (A) in the case of Physical Delivery Securities where BNPP B.V. has the obligation, pursuant to the terms and conditions of the relevant Security, to deliver the Entitlement, notwithstanding that BNPP B.V. had the right to vary settlement in respect of such Physical Delivery Securities in accordance with Condition 5.3 and exercised such right or failed to exercise such right, BNPP will have the right to elect not to deliver or procure delivery of the Entitlement to the Holders

of such Physical Delivery Securities, but in lieu thereof, to make payment in respect of each such Physical Delivery Securities of an amount equal to the Guaranteed Cash Settlement Amount (as defined in the Conditions) and (B) in the case of Securities where the obligations of BNPP B.V. which fall to be satisfied by BNPP constitute the delivery of the Entitlement to the Holders, BNPP will as soon as practicable following BNPP B.V.'s failure to satisfy its obligations under such Securities deliver or procure delivery of such Entitlement using the method of delivery specified in the applicable Final Terms provided that, if in the opinion of BNPP, delivery of the Entitlement using such method is not practicable by reason of (i) a Settlement Disruption Event (as defined in Condition 5.1) or (ii) a Failure to Deliver due to Illiquidity (as defined in Condition 5.2) (if "Failure to Deliver due to Illiquidity" is specified as applying in the applicable Final Terms), in lieu of such delivery BNPP will make payment in respect of each such Security of, in the case of (i) above, the Guaranteed Cash Settlement Amount or, in the case of (ii) above, the Failure to Deliver Settlement Price (as defined in Condition 15.2). Any payment of the Guaranteed Cash Settlement Amount or the Failure to Deliver Settlement Price, as the case may be, in respect of a Security shall constitute a complete discharge of BNPP's obligations in respect of such Security.

This Guarantee constitutes an irrevocable offer from BNPP in favour of the Holders from time to time, and each Holder shall be deemed to have accepted this irrevocable offer.

## **2. BNPP as Principal Obligor**

As between BNPP and the Holder of each Security but without affecting BNPP B.V.'s obligations, BNPP will be liable under this Guarantee as if it were the sole principal obligor and not merely a surety. Accordingly, it will not be discharged, nor will its liability be affected, by anything which would not discharge it or affect its liability if it were the sole principal obligor (including (1) any time, indulgence, waiver or consent at any time given to BNPP B.V. or any other person, (2) any amendment to any of the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on BNPP B.V. or any other person for payment or performance of any other obligation in respect of any Security, (4) the enforcement or absence of enforcement of any Security or of any security or other guarantee or indemnity, (5) the taking, existence or release of any such security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of BNPP B.V. or any other person, or (7) the illegality, invalidity or unenforceability of or any defect in any provision of the Conditions, the Agency Agreement or any of BNPP B.V.'s obligations under any of them).

## **3. BNPP's Obligations Continuing**

BNPP's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable and no other obligation remains to be performed under any Security, subject to its exercise. Furthermore, those obligations of BNPP are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from BNPP or otherwise and may be enforced without first having recourse to BNPP B.V., any other person, any security or any other guarantee or indemnity. BNPP irrevocably waives all notices and demands of any kind.

## **4. Status**

This Guarantee is a senior preferred obligation (within the meaning of Article L.613-30-3-I-3° of the French *Code monétaire et financier*) and an unsecured obligation of BNPP and will rank *pari passu* with all its other present and future senior preferred and unsecured obligations subject to such exceptions as may from time to time be mandatory under French law.



**5. Exercise of BNPP's Rights**

So long as any sum remains payable under the Securities or this Guarantee, BNPP shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by BNPP B.V. or to take the benefit of or enforce any security or other guarantee or indemnity.

**6. Discharge by BNPP B.V.**

If any payment received by, or other obligation discharged to or to the order of, the Holder of any Security is, on the subsequent bankruptcy or insolvency of BNPP B.V., avoided under any laws relating to bankruptcy or insolvency, such payment or obligation will not be considered as having discharged or diminished the liability of BNPP and this Guarantee will continue to apply as if such payment or obligation had at all times remained due and owing by BNPP B.V.

**7. Indemnity**

As a separate and alternative stipulation, BNPP unconditionally and irrevocably agrees (1) that any sum or obligation which, although expressed to be payable or deliverable under the Securities, is for any reason (whether or not now existing and whether or not now known or becoming known to BNPP B.V., BNPP or any Holder) not recoverable from BNPP on the basis of a guarantee will nevertheless be recoverable from it as if it were the sole principal obligor and will be paid or performed by it in favour of the Holder on demand and (2) as a primary obligation to indemnify each Holder against any loss suffered by it as a result of any sum or obligation expressed to be payable or deliverable under the Securities not being paid or performed by the time, on the date and otherwise in the manner specified in the Securities or any obligation of BNPP B.V. under the Securities being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not known or becoming known to BNPP B.V., BNPP or any Holder), in the case of a payment obligation the amount of that loss being the amount expressed to be payable by BNPP B.V. in respect of the relevant sum. The second sentence of Clause 2 of this Guarantee shall apply *mutatis mutandis* to this Clause 7.

**8. Resolution proceedings against the Guarantor**

By its acquisition of the Securities, each Holder (which, for the purposes of this Clause 8, includes any current or future holder of a beneficial interest in the Securities) acknowledges, accepts, consents and agrees:

- (a) to be bound by the effect of the exercise of the Bail-in or Loss Absorption Power (as defined below) by the Relevant Resolution Authority (as defined below) if the latter was to consider that the Amounts Due fall within the scope of the Bail-in or Loss Absorption Power. This Bail-in or Loss Absorption Power may include and result in any of the following, or some combination thereof:
  - (i) the reduction of all, or a portion, of the Amounts Due;
  - (ii) the conversion of all, or a portion, of the Amounts Due into shares, other securities or other obligations of the Guarantor or another person (and the issue to the Holder of such shares, securities or obligations), including by means of an amendment, modification or variation of the terms of this Guarantee, in which case the Holder agrees to accept in lieu of its rights under this Guarantee any such shares, other securities or other obligations of the Guarantor or another person;

- (iii) the cancellation of this Guarantee; and/or
- (iv) the amendment or alteration of the term of this Guarantee;
- (b) if applicable, that the terms of this Guarantee are subject to, and may be varied, if necessary, to give effect to, the exercise of the Bail-in or Loss Absorption Power by the Relevant Resolution Authority.

For these purposes, the "**Amounts Due**" are (a) the amounts payable on, or the Entitlement deliverable in respect of, each Security on exercise or cancellation or (b) the amounts payable by the Guarantor under this Guarantee.

The "**Bail-in or Loss Absorption Power**" is any power existing from time to time under any laws, regulations, rules or requirements in effect in France, relating to the transposition of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (as amended from time to time), including without limitation pursuant to French decree-law No. 2015-1024 dated 20 August 2015 (*Ordonnance portant diverses dispositions d'adaptation de la législation au droit de l'Union européenne en matière financière*) (as amended from time to time) ratified by the Law n°2016-1691 of 9 December 2016 relating to transparency, the fight against corruption and the modernisation of economic life (*Loi no. 2016-1691 du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique*) (as amended from time to time, this ordinance was ratified by the Law n°2016-1691), Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (as amended from time to time, including by Regulation (EU) 2019/877 dated 20 May 2019, the "**Single Resolution Mechanism Regulation**"), or otherwise arising under French law, and in each case the instructions, rules and standards created thereunder, pursuant to which the obligations of a Regulated Entity (or an affiliate of such Regulated Entity) can be reduced (in part or in whole), cancelled, suspended, transferred, varied or otherwise modified in any way, or securities of a Regulated Entity (or an affiliate of such Regulated Entity) can be converted into shares, other securities, or other obligations of such Regulated Entity or any other person, whether in connection with the implementation of a bail-in tool following placement in resolution.

A reference to a "**Regulated Entity**" is any entity referred to in Section I of Article L.613-34 of the French Code monétaire et financier, which includes certain credit institutions, investment firms, and certain of their parent or holding companies established in France.

A reference to the "**Relevant Resolution Authority**" is to the Autorité de contrôle prudentiel et de résolution, the Single Resolution Board established pursuant to the Single Resolution Mechanism Regulation, and/or any other authority entitled to exercise or participate in the exercise of any Bail-in or Loss Absorption Power against the Guarantor from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).

The matters set forth in this Clause 8 shall be exhaustive on the foregoing matters to the exclusion of any other agreements, arrangements or understandings between the Guarantor and any holder of Securities.

## 9. Incorporation of Terms

BNPP agrees that it shall comply with and be bound by those provisions contained in the Conditions which relate to it.

**10. Deposit of Guarantee**

This Guarantee shall be deposited with and held by BNP Paribas, Succursale de Luxembourg for the benefit of the Holders at its specified office.

**11. Demand on BNPP**

Any demand hereunder shall be given in writing addressed to BNPP served at its office at CIB Legal, 37 Avenue de l'Opéra, 75002 Paris, France. A demand so made shall be deemed to have been duly made two Paris Business Days (as used herein, "**Paris Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for business in Paris) after the day it was served or if it was served on a day that was not a Paris Business Day or after 5.30 p.m. (Paris time) on any day, the demand shall be deemed to be duly made two Paris Business Days after the Paris Business Day immediately following such day.

**12. Governing law**

This Guarantee and any non-contractual obligations arising out of or in connection herewith shall be governed by and construed in accordance with Dutch law.

**13. Jurisdiction**

The courts of the Netherlands shall have the exclusive jurisdiction to settle any disputes which may, directly or indirectly, arise out of or in connection with this Guarantee including a dispute relating to any non-contractual obligations arising out of or in connection herewith.

This Guarantee has been executed and delivered by BNP Paribas on the date first above-mentioned.

**BNP PARIBAS**

By:

## DESCRIPTION OF BNP PARIBAS ISSUANCE B.V.

### 1. Name, registered office and date of incorporation

- (a) The legal and commercial name of the company is BNP Paribas Issuance B.V..
- (b) BNPP B.V. is a limited liability company under Dutch law ("*besloten vennootschap met beperkte aansprakelijkheid*"), having its registered office at Herengracht 595, 1017 CE Amsterdam, The Netherlands. BNPP B.V. is incorporated in The Netherlands and registered with the Commercial Register in The Netherlands under number 33215278 (telephone number: + 31 (0) 88 738 0000). The legal entity identifier (LEI) of BNPP B.V. is 7245009UXRIGIRYOB48.
- (c) BNPP B.V. was incorporated on 10 November 1989 with unlimited duration.
- (d) BNPP B.V.'s long term credit rating is A+ with a stable outlook (S&P Global Ratings Europe Limited) and BNPP B.V.'s short term credit rating is A-1 (S&P Global Ratings Europe Limited).
- (e) There has been no material change in the borrowing and funding structure of BNPP B.V. within the last 12 months.
- (f) BNPP B.V. expects to finance its activities by issuing notes, warrants and certificates under the securities programmes pursuant to which it may act as an issuer and/or by entering into hedging agreements with BNPP and its affiliates.

### 2. Business Overview

- (a) BNPP B.V.'s objects (as set out in Article 3 of its Articles of Association) are:
  - (i) to borrow, lend out and collect monies, including but not limited to the issue or the acquisition of debentures, debt instruments, financial instruments such as, among others, notes, warrants and certificates of any nature, with or without indexation based on, inter alia, shares, baskets of shares, stock exchange indices, currencies, commodities or futures on commodities, and to enter into related agreements;
  - (ii) to finance enterprises and companies;
  - (iii) to establish and to in any way participate in, manage and supervise enterprises and companies;
  - (iv) to offer advice and to render services to enterprises and companies with which the company forms a group of companies, and to third parties;
  - (v) to grant security, to bind the company and to encumber assets of the company for the benefit of enterprises and companies with which the company forms a group of companies, and of third parties;
  - (vi) to acquire, manage, exploit and dispose of registered property and asset value in general;
  - (vii) to trade in currencies, securities and asset value in general;

(viii) to exploit and trade in patents, trademark rights, licences, know-how and other industrial rights of ownership;

(ix) to engage in industrial, financial and commercial activities of any nature, and

all other things as may be deemed incidental or conducive to the attainment of the above objects, in the broadest sense of the word.

(b) BNPP B.V. competes with other issuers in the issuance of financial instruments and securities.

(c) BNPP B.V. is a BNP Paribas Group issuance vehicle, specifically involved in the issuance of structured securities, which are developed, setup and sold to investors by other companies in the group. The securities are hedged by matching derivative contracts and/or collateral contracts with BNP Paribas Arbitrage S.N.C. or BNP Paribas SA. Given the function of BNPP B.V. within the BNP Paribas Group and its asset and liabilities structure, the company generates a limited profit.

(d) The securities issued by BNPP B.V. are sold to institutional clients, retail and high net worth individuals in Europe, Africa, Asia and Americas, either directly by BNP Paribas or through third party distributors.

### **3. Trend Information**

Due to BNPP B.V.'s dependence upon BNPP, its trend information is the same as that for BNPP set out on pages 153 to 156 and 725 of the BNPP 2022 Universal Registration Document (in English).

### **4. Share capital**

The issued share capital is EUR45,379, divided in 45,379 shares of EUR1 each.

All shares are ordinary registered shares and fully paid up and no share certificates have been issued. 100 per cent. of the share capital is held by BNPP.

### **5. Management**

#### **5.1 Management Board**

The management of BNPP B.V. is composed of a Management Board with one or several members appointed by the general meeting of shareholders.

On 31 January 2016, BNP Paribas appointed as sole member of the Management Board BNP Paribas Finance B.V., a company established and existing under the laws of The Netherlands, with its registered office at Herengracht 595, 1017 CE Amsterdam, the Netherlands. Edwin Herskovic, Cyril Le Merrer, Folkert van Asma, Geert Lippens and Matthew Yandle as Directors of BNP Paribas Finance B.V. have the power to take all necessary measures in relation to the issue of securities of BNPP B.V.

#### **5.2 Duties of the Management Board**

Within the limits of the constitutional documents, the Management Board is responsible for the management of BNPP B.V.

### **6. Accounts**

#### **6.1 Drawing up of annual accounts**

The financial year is the calendar year.

6.2 Adoption of annual accounts

The general meeting of shareholders adopts the annual accounts.

**7. Material Investments**

BNPP B.V. has made no material investments since the date of its last published financial statements other than those related to the issue of securities and its Management Board has made no firm commitments on such material investments in the future.

**8. Organisational Structure**

BNPP B.V. is a wholly owned subsidiary of BNP Paribas.

BNPP B.V. is dependent upon BNP Paribas in that BNP Paribas develops and markets the Securities, hedges its market, credit and liquidity risks and guarantees the obligations of BNPP B.V. for any issuance of its securities towards investors.

**9. Administrative, Management, and Supervisory Bodies**

9.1 Names, Business Addresses, Functions and Principal Outside Activities

The names, functions and principal activities performed by it outside BNPP B.V. which are significant with respect to the only director of BNPP B.V. are:

Name	Function	Principal Outside Activities
BNP Paribas Finance B.V.	Managing Director	The facilitation of secondary debt transactions and trading on behalf of the BNP Paribas Group

9.2 Administrative, Management, and Supervisory Bodies Conflicts of Interests

The above-mentioned member of the Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of the Securities, between any duties to BNPP B.V. and its interests or other duties.

**10. Board Practices**

10.1 Audit Committee

BNPP B.V. does not itself have an audit committee. However, BNPP B.V. is part of the BNP Paribas Group which divides the audit responsibility to review the annual consolidated financial statements of BNP Paribas between a Financial Statement Committee and an Internal Control and Risks Committee.

10.2 Corporate Governance

The Dutch Corporate Governance Code of 8 December 2016 only applies to listed companies. The shares of BNPP B.V. are not listed and therefore the code does not apply. Accordingly, BNPP B.V. is not required to make any disclosure regarding compliance with the code.

**11. Historical Financial Information Concerning BNPP B.V.'s Assets and Liabilities, Financial Position and Profits and Losses.**

<b>BALANCE SHEET IN SUMMARY</b> (before appropriation of the net result)		
	<b>31.12.2022</b> (audited)	<b>31.12.2021</b> (audited)
	EUR	EUR
<b>Financial fixed assets / Non-Current Assets</b>	74,783,786,119	67,572,517,351
<b>Current assets</b>	19,780,746,616	19,504,843,599
<b>TOTAL ASSETS</b>	<b>94,564,532,735</b>	<b>87,077,360,950</b>
<b>Shareholder's equity / Total Equity</b>	748,104	651,937
<b>Long term liabilities / Non-Current Liabilities</b>	74,783,786,118	67,572,137,428
<b>Current liabilities</b>	19,779,998,513	19,504,571,585
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>94,564,532,735</b>	<b>87,077,360,950</b>
<b>PROFIT AND LOSS ACCOUNT / INCOME STATEMENT in summary</b>		
	<b>2022</b> (audited)	<b>2021</b> (audited)
	EUR	EUR
Income including interest received / Fee Income and Other income	894,672	439,575
Costs, including interest paid and the tax charge / Operating expenses, bank costs and similar charges and corporate income tax	(798,505)	(405,680)
<b>Profit after taxation / Profit for the year attributable to equity shareholders (parent)</b>	<b>96,167</b>	<b>33,895</b>
<b>CASH FLOW STATEMENT in summary</b>		
	<b>2022</b> (audited)	<b>2021</b> (audited)
	EUR	EUR
Cash flow from / (used in) operating activities	-113,916	622,151
<b>Increase/Decrease cash at banks / Net increase/(decrease) in cash and cash equivalents</b>	<b>-113,916</b>	<b>622,151</b>
<b>Cash at bank at 31 December / Net cash and cash equivalents at the end of the year</b>	<b>671,576</b>	<b>785,492</b>





## BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC, Clearstream, Luxembourg, Euroclear, Euroclear France, Euroclear Netherlands, Iberclear or Monte Titoli S.p.A. (together, the "**Clearing Systems**") currently in effect and subject as provided in the applicable Final Terms. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of BNPP B.V., BNPP, nor any agent party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Securities held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

## BOOK-ENTRY SYSTEMS

### *DTC*

DTC has advised BNPP that it is a limited purpose trust company organised under the New York Banking Law, a banking organisation within the meaning of the New York Banking Law, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Direct Participants**") deposit with DTC. DTC also facilitates the settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants accounts, thereby eliminating the need for physical movement of securities certificates. Direct Participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is owned by a number of its Direct Participants and by the New York Stock Exchange, Inc., the American Stock Exchange, Inc. and the Financial Industry Regulatory Authority, Inc., Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**").

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**Rules**"), DTC makes book-entry transfers of Securities represented by Rule 144A Global Securities held by a Custodian on behalf of DTC among Direct Participants on whose behalf it acts with respect to Securities accepted into DTC's book-entry settlement system ("**DTC Securities**") as described below and receives and transmits payments on DTC Securities. The Rules are on file with the Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Securities ("**Beneficial Owners**") have accounts with respect to the DTC Securities similarly are required to make book-entry transfers and receive and transmit such payments on behalf of their respective Beneficial Owners. Accordingly, although Beneficial Owners who hold DTC Securities through Direct Participants or Indirect Participants will not possess definitive Securities, the Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Securities.

Purchases of DTC Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Securities on DTC's records. The ownership interest of each Beneficial Owner is in turn to be recorded on the Direct and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Securities are to be accomplished by entries made on the books of Direct Participants or Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Securities, except in the event that use of the book-entry system for the DTC Securities is discontinued.

To facilitate subsequent transfers, all DTC Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or any other nominee as may be requested by an authorised representative of DTC. The deposit of DTC Securities with DTC and their registration in the name of Cede & Co. or any other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

### ***Clearstream, Luxembourg and Euroclear***

Clearstream, Luxembourg and Euroclear each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Clearstream, Luxembourg and Euroclear provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg and Euroclear also deal with domestic securities markets in several countries through established depositary and custodial relationships. Clearstream, Luxembourg and Euroclear have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Clearstream, Luxembourg and Euroclear customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Clearstream, Luxembourg and Euroclear is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

### ***Euroclear France***

Euroclear France holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear France customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

### ***Euroclear Finland***

Euroclear Finland Ltd. is a Finnish private limited liability company which manages account operations and clearing activities for the Finnish financial market. Euroclear Finland is an authorised central securities depositary pursuant to Regulation (EU) No 909/2014 and the Finnish Act on the Book-Entry System and Clearing (*Fin. laki arvo-osuusjärjestelmästä ja selvitystoiminnasta* (348/2017)) and is acting under the supervision of the Finnish Financial Supervisory Authority (*Fin. Finanssivalvonta*). Euroclear Finland is owned by Euroclear SA/NV.

In order to effect entries in the Finnish book-entry securities system, a holder of securities or such holder's nominee must establish a book-entry account with Euroclear Finland or with a licensed account operator or register its securities through nominee registration. Each book-entry account must give the particulars of the account holder and other holders of rights to the book-entries in the account or of the manager of a nominee registration who manages the assets in the nominee-registered account, as well as information on the account operator for the account. The required information includes the type and number of the book-entry securities registered in the account as well as the rights and restrictions pertaining to the account and the book-entries. Any nominee-registered account must be identified when making entries in the account.

In conjunction with an issue of securities to be registered in the Euroclear Finland System (subject to certain exemptions), the relevant Issuer must engage a financial institution authorised by Euroclear Finland to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Finland.

### ***Euroclear Netherlands***

Euroclear Netherlands holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between its respective account holders. Euroclear Netherlands customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations.

### ***Euroclear Sweden***

Euroclear Sweden AB ("**Euroclear Sweden**") is a Swedish private limited liability company which manages account operations and clearing activities for the Swedish financial market. Euroclear Sweden is an authorised central securities depository pursuant to the Swedish Central Securities Depositories and Financial Instruments Accounts Act (*Sw. Lag (1998:1479) om centrala värdepapperscentraler och kontoföring av finansiella instrument*) and is acting under the supervision of the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*). Euroclear Sweden is owned by Euroclear S.A.

For each Security issued through Euroclear Sweden, a so called CSD register (*Sw. avstämningsregister*) (a "**CSD Register**") is created. The CSD Register will consist of a number of accounts, one for each holder of the Security in question. Such account is opened by the holder in person or by a nominee (*Sw. förvaltare*) on behalf of the holder. Title to a registered Security is transferred through registration in the system operated by Euroclear Sweden (the "**VPC System**").

In conjunction with an issue of securities to be registered in the VPC System, the relevant Issuer must engage a financial institution authorised by Euroclear Sweden to operate as an issuer agent. The issuer agent is responsible for ensuring that the instructions received from the relevant Issuer with respect to the issue are duly registered. The issuer agent will be authorised to act on behalf of the relevant Issuer in dealings with Euroclear Sweden.

### ***Iberclear***

"Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal" – whose commercial name is Iberclear – is the Spanish Central Securities Depository. Iberclear is set up as a company as stated in article 44 bis of the "Stock Market" Law 24/1988, 28 July (article introduced by Section Two of Article 1 of the Reform Measures of the Financial System Law 44/2002, 22 November). Article "44" bis of Law 24/1988 dated 28 July assigns Iberclear the right of all functions as indicated in the legal regulations containing its legal regime, in accordance with the following: (a) to maintain the Securities Registry by means of book-entry form of all eligible securities listed on the Spanish Stock Exchanges and the Public Debt Market as well as the securities listed on other secondary markets when requested by the appropriate governing bodies; (b) to manage the settlement, and when appropriate, the clearing of securities and money resulting from those trades settled on the Stock Exchanges, Public Debt Market and, when appropriate, the secondary markets; (c) to provide technical and operational services directly related to the Registering, Clearing and Settlement of securities which allows Iberclear to collaborate in, or co-ordinate with, other services related to Registering, Clearing and Settlement of securities as well as allowing it to participate in them; and (d) anything else that the Government entrusts to Iberclear provided permission has been first sought from the market supervisory bodies, be it the CNMV (*Comisión Nacional del Mercado de Valores*) or the Banco de España.

## ***Monte Titoli***

Monte Titoli S.p.A. has been authorised to operate the settlement services by the Bank of Italy, which directly managed a securities settlement procedure in the past.

The Centralised Administration Service is carried out by Monte Titoli as the sole Italian Central Securities Depository.

Any type of non-derivative financial instrument, whether Italian or foreign, can be admitted to Monte Titoli's system and registered by means of book entries without any physical movement and with high standards of security and efficiency.

Nearly all the centralised securities are booked in dematerialised form. Financial instruments that still exist in paper form are represented by global or jumbo certificates.

Both Italian and non-resident intermediaries, issuers, or clearing and settlement institutions may participate in Monte Titoli's Centralised Administration Service.

### **Book-entry Ownership of and Payments in respect of DTC Securities**

If a Rule 144A Global Security is to be registered in the name of a nominee of DTC, the relevant Issuer will apply to DTC in order to have the Securities represented by such Rule 144A Global Security accepted in its book-entry settlement system. Upon the issue of any Rule 144A Global Security to be held by a Custodian on behalf of DTC, DTC or the Custodian will credit, on its internal book-entry system, the respective nominal amounts of the individual beneficial interests represented by such Rule 144A Global Security to the accounts of the relevant Direct Participants. Ownership of beneficial interests in any such Rule 144A Global Security will be limited to Direct Participants or Indirect Participants, including the respective depositories of Clearstream, Luxembourg, Euroclear and any other clearing systems as may be applicable. Ownership of beneficial interests in any such Rule 144A Global Security held by a Custodian on behalf of DTC will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars in respect of a Rule 144A Global Security registered in the name of DTC's nominee will be made to the New York Warrant Agent or New York Certificate Agent, as the case may be, to the order of such nominee as the registered Holder. In the case of any payment in a currency other than U.S. dollars, payment will be made to the New York Warrant Agent or New York Certificate Agent, as the case may be, on behalf of DTC's nominee and the New York Warrant Agent or New York Certificate Agent, as the case may be, will (in accordance with instructions received by it) remit all or a portion of such payment for credit directly to the beneficial Holders of interests in the Rule 144A Global Security held by a Custodian on behalf of DTC in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Direct Participants' account, provided that (a) the New York Warrant Agent or New York Certificate Agent, as the case may be, shall not be obligated to convert any currency whose conversion the New York Warrant Agent or New York Certificate Agent, as the case may be, in its sole discretion, deems impracticable, and (b) the New York Warrant Agent or New York Certificate Agent, as the case may be, has received notice by 11:00 a.m. two Business Days prior to the Settlement Date, Redemption Date or Interest Payment Date, as the case may be, of the currency and the amount thereof to be converted into U.S. dollars. Conversion of a currency other than U.S. dollars into U.S. dollars will be carried out by the New York Warrant Agent or New York Certificate Agent, as the case may be, based on the actual exchange rate received in the currency conversion, which will occur at the New York Warrant Agent's or New York Certificate Agent's, as the case may be, bid quotation for U.S. dollars at or prior to 11:00 a.m. on the Settlement Date, Redemption Date or Interest Payment Date, as the case may be. The costs of conversion will be deducted from the amount of the payment credited to the applicable Participants' account. Except in the case of its gross negligence or wilful misconduct, the New York Warrant Agent or New

York Certificate Agent, as the case may be, shall not be liable to any holder of Securities for any delay in conversion or for any amounts in excess of the amounts actually received by it upon conversion of a currency other than U.S. dollars into U.S. dollars, or for its inability to convert any such currency into U.S. dollars at a commercially reasonable rate or at any rate.

BNPP expects that payments by Direct Participants to Beneficial Owners of Securities will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Direct Participant and not the responsibility of DTC, any Warrant Agent or Certificate Agent, as the case may be, or BNPP. Payments on Securities to DTC is the responsibility of BNPP.

### **Transfers of Securities Represented by Global Securities**

Transfers of any interests in Securities represented by a Global Security within DTC, Clearstream, Luxembourg, Euroclear, Euroclear France, Euroclear Netherlands and/or any other clearing systems as may be applicable will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Securities represented by a Global Security to such persons may depend upon the ability to exchange such Securities for Securities in definitive form. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC to pledge such Securities to persons or entities that do not participate in the DTC system or otherwise to take action in respect of such Securities may depend upon the ability to exchange such Securities for Securities in definitive form. The ability of any person having a beneficial interest in Securities represented by a Rule 144A Global Security held by a Custodian on behalf of DTC to resell, pledge or otherwise transfer such Securities may be impaired if the proposed transferee of such Securities is not eligible to hold such Securities through a Direct Participant or Indirect Participant in the DTC system.

Subject to compliance with the transfer restrictions applicable to Rule 144A Global Securities, crossmarket transfers between DTC, on the one hand, and direct or indirect account holders of Clearstream, Luxembourg, Euroclear or any other clearing systems as may be applicable, on the other, will be effected by the relevant Clearing System in accordance with its rules and through action taken by the relevant Warrant Agent or Certificate Agent and any custodian with whom the relevant Global Securities have been deposited.

On or after the issue date for any Securities, transfers of such Securities between account holders in Clearstream, Luxembourg, Euroclear and/or any other clearing system as may be applicable and transfers of such Securities between Direct Participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment may apply to such transfers.

For cross-market transfers between account holders in Clearstream, Luxembourg or Euroclear, DTC and/or any other clearing system as may be applicable, participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg or Euroclear, on the other, transfers of interests in the relevant Global Securities will be effected through the relevant Warrant Agent or Certificate Agent receiving instructions (and where appropriate certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Clearstream, Luxembourg, Euroclear and/or any other clearing systems as may be applicable accountholders and Direct Participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payment must be made separately.

DTC, Clearstream, Luxembourg, Euroclear and any other clearing system as may be applicable have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Securities

among participants and accountholders of DTC, Clearstream, Luxembourg, Euroclear and any other clearing systems as may be applicable. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, any Warrant Agent or any Certificate Agent will be responsible for any performance by DTC, Clearstream, Luxembourg, Euroclear or any other clearing system as may be applicable or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Securities represented by Global Securities or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## TAXATION

Tax legislation, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Securities.

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

### *EU financial transaction tax*

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

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

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

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

## FRENCH TAXATION

*The descriptions below are intended as a summary of certain French tax consequences in relation to the holding of the Securities issued by BNPP. This summary is based on the laws and regulations in full force and effect in France as at the date of this Base Prospectus, which may be subject to change in the future, potentially with retroactive effect. Potential purchasers of Securities are advised to consult their own appropriate independent*



and professionally qualified tax advisors as to the tax consequences of any investment in, or ownership of, the Securities.

### **Withholding tax on payments with respect to Securities issued by BNPP**

*The withholding tax treatment will depend on the nature and characterisation of the Securities issued by BNPP.*

#### ***Securities constituting debt instruments for French tax purposes***

*Withholding taxes on payments made outside France*

*The following may be relevant to holders of Securities issued by BNPP who do not concurrently hold shares of BNPP.*

Payments of interest and similar revenues with respect to Securities issued by BNPP which constitute debt instruments for French tax purposes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a "**Non-Cooperative State**") other than those mentioned in 2° of 2 *bis* of the same Article 238-0 A. If such payments under the Securities are made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts*, a 75 per cent. withholding tax will be applicable (subject to certain exceptions and the more favourable provisions of an applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest and similar revenues with respect to such Securities will not be deductible from BNPP's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State (the "**Deductibility Exclusion**"). Under certain conditions, any such non-deductible interest and similar revenues may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts*, in which case such non-deductible interest and similar revenues may be subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts*, at (i) a rate of 12.8 per cent. for payments benefiting individuals who are not French tax residents, (ii) the standard corporate income tax rate set forth in the second paragraph of Article 219-I of the French *Code général des impôts* (i.e. 25 per cent. for fiscal years beginning as from 1 January 2022) for payments benefiting legal persons who are not French tax residents or (iii) a rate of 75 per cent. for payments made outside France in a Non-Cooperative State other than those mentioned in 2° of 2 *bis* of Article 238-0 A of the French *Code général des impôts* (subject to certain exceptions and the more favourable provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75 per cent. withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the Deductibility Exclusion will apply in respect of an issue of Securities if BNPP can prove that the main purpose and effect of such issue of Securities was not that of allowing the payments of interest and similar revenues to be made in a Non-Cooperative State (the "**Exception**"). Pursuant to the *Bulletin Officiel des Finances Publiques - Impôts* BOI-INT-DG-20-50-30 no. 150 and BOI-INT-DG-20-50-20 no. 290, an issue of Securities will benefit from the Exception without BNPP having to provide any proof of the purpose and effect of such issue of Securities, if such Securities are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* for which the publication of a prospectus is mandatory or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an "equivalent offer" means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; and/or

- (ii) admitted to trading on a French or foreign regulated market or multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider or any other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; and/or
- (iii) admitted, at the time of their issue, to the operations of a central depository or of a securities delivery and payment systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

*Withholding taxes on payments made to individuals who are fiscally domiciled in France*

Where the paying agent (*établissement payeur*) is established in France, pursuant to Article 125 A I of the French *Code général des impôts*, subject to certain exceptions, interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France are subject to a 12.8 per cent. withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and solidarity levy) are also levied by way of withholding at a global rate of 17.2 per cent. on such interest and similar revenues received by individuals who are fiscally domiciled (*domiciliés fiscalement*) in France, subject to certain exceptions.

***Securities issued by BNPP not constituting debt instruments for French tax purposes***

Payments in respect of Securities issued by BNPP which do not constitute debt instruments for French tax purposes should not be subject to, or should be exempt from, withholding tax in France provided that the beneficial owner of such Securities and the payments thereunder is resident for tax purposes in France or in a country which has entered into an appropriate double tax treaty with France and fulfils the relevant requirements provided in such treaty.

In addition, payments in respect of such Securities may, in certain circumstances, be non-deductible (in whole or in part) for French tax purposes if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid to an account held with a financial institution established in such a Non-Cooperative State. Under certain conditions, and subject to the more favourable provisions of an applicable double tax treaty, such non-deductible payments may be recharacterised as constructive dividends pursuant to Articles 109 *et seq.* of the French *Code général des impôts* subject to the withholding tax set out under Article 119 *bis* 2 of the French *Code général des impôts* at a rate of up to 75 per cent.

Potential purchasers of Securities who are resident for tax purposes in a country which has not entered into an appropriate double tax treaty with France or who are domiciled or established in a Non-Cooperative State are advised to consult their own appropriate independent and professionally qualified tax advisors as to the tax consequences of any investment in, ownership of, or transactions involving the Securities (including as regards the applicable rate and basis for the withholding tax and the potential ability of certain investors to claim a refund of withholding tax).

**Transfer tax and other taxes**

*The following may be relevant in connection with Securities which may be exercised, settled or redeemed by way of physical delivery of certain French listed shares (or certain assimilated securities) or securities representing such shares (and assimilated securities).*

Pursuant to Article 235 *ter* ZD of the French *Code général des impôts*, a financial transaction tax (the "**French FTT**") is applicable to any acquisition for consideration, resulting in a transfer of ownership, of (i) an equity

security (*titre de capital*) as defined by Article L.212-1 A of the French *Code monétaire et financier* or an assimilated equity security (*titre de capital assimilé*) as defined by Article L.211-41 of the French *Code monétaire et financier* admitted to trading on a recognised stock exchange when the said security is issued by a company whose registered office is situated in France and whose market capitalisation exceeds 1 billion Euros on 1 December of the year preceding the year in which the imposition occurs (the "**French Shares**") or (ii) a security (*titre*) representing such French Shares (irrespective of the location of the registered office of the issuer of such security). The French FTT could apply in certain circumstances to the acquisition of French Shares (or securities representing French Shares) in connection with the exercise, settlement or redemption of any Securities.

There are a number of exemptions from the French FTT and investors shall revert to their counsel to identify whether they can benefit from them.

The rate of the French FTT is 0.3 per cent. of the acquisition value of the French Shares (or the securities representing the French Shares).

If the French FTT applies to an acquisition of French Shares, this transaction is exempt from transfer taxes (*droits de mutation à titre onéreux*) which generally apply at a rate of 0.1 per cent. to the sale of shares issued by a company whose registered office is situated in France, provided that in case of shares listed on a recognised stock exchange, transfer taxes are due only if the transfer is evidenced by a written deed or agreement.

## NETHERLANDS TAXATION

### General

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of the Securities, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Securities may include an individual or entity who does not have the legal title of these Securities, but to whom nevertheless the Securities or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Securities or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of the Securities.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual tax consequences for:

- (i) investment institutions (*fiscale beleggingsinstellingen*);
- (ii) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other entities that are not subject to or exempt from Netherlands corporate income tax;
- (iii) holders of Securities holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in an Issuer and holders of Securities of whom a certain related person holds a substantial interest in an Issuer. Generally speaking, a substantial interest in an Issuer arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of an Issuer or 5% or more of the issued capital of a certain class of shares of an Issuer, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in an Issuer;
- (iv) persons to whom the Securities and the income therefrom are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);
- (v) entities which are a resident of Aruba, Curacao or Sint Maarten and that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Securities are attributable to such permanent establishment or permanent representative; and
- (vi) individuals to whom the Securities or the income therefrom are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to 'the Netherlands' and 'Dutch', such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

This summary does not describe the consequences of the write-down, the conversion or the exercise of any Securities. In addition, this summary does not describe the consequences of the acquisition, holding, settlement, exercise, redemption or disposal of any Securities that qualify as equity instruments for Dutch tax purposes.

## Withholding Tax

All payments made by the Issuers under the Securities may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

With respect to Securities issued by an Issuer that is considered to be a resident of the Netherlands for Dutch tax purposes (a "**Dutch Issuer**"), all payments made by such Dutch Issuer under the Securities may - except in certain very specific cases as described below - be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Dutch withholding tax may apply on certain (deemed) interest due and payable to an affiliated (*gelieerde*) entity of the Dutch Issuer if such entity (i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another (lower-tier) entity as the recipient of the interest (hybrid mismatch), or (v) is not treated as resident anywhere (also a hybrid mismatch), or (vi) is a reverse hybrid whereby the jurisdiction of residence of a higher-tier beneficial owner (*achterliggende gerechtigde*) that has a qualifying interest (*kwalificerend belang*) in the reverse hybrid treats the reverse hybrid as tax transparent and that higher-tier beneficial owner would have been taxable based on one (or more) of the items in (i) - (v) above had the interest been due to him directly, all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

## Corporate and Individual Income Tax

### *Residents of the Netherlands*

If a holder of Securities is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Securities are attributable, income derived from the Securities and gains realised upon the redemption or disposal of the Securities are generally taxable in the Netherlands (at up to a maximum rate of 25.8%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Securities and gains realised upon the redemption or disposal of the Securities are taxable at the progressive rates (at up to a maximum rate of 49.5%) under the Dutch Income Tax Act 2001, if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Securities are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Securities are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Securities that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies to the holder of the Securities, taxable income with regard to the Securities must be determined on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on

savings and investments is determined based on individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*) (EUR 57,000 in 2023). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. individual's deemed return is calculated by multiplying the individual's yield basis with a 'deemed return percentage' (*effectief rendementspercentage*), which percentage depends on the actual composition of the yield basis, with separate deemed return percentages for savings (*banktegoeden*), other investments (*overige bezittingen*) and debts (*schulden*). As of 1 January 2023, the percentage for other investments, which include the Securities, is set at 6.17%. The deemed return on savings and investments is taxed at a rate of 32%.

#### *Non-residents of the Netherlands*

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Netherlands income tax in respect of income derived from the Securities and gains realised upon the redemption or disposal of the Securities, unless:

- (i) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25.8%.

- (ii) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Securities are attributable, or (2) realises income or gains with respect to the Securities that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Securities that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Securities are attributable.

Income derived from the Securities as specified under (1) and (2) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.5%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "*Residents of the Netherlands*").

#### **Gift and Inheritance Tax**

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Securities by way of gift by, or on the death of, a holder of the Securities, unless:

- (i) the holder of the Securities is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (ii) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

**Value Added Tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Securities or in respect of a cash payment made under the Securities, or in respect of a transfer of the Securities.

**Other Taxes and Duties**

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Securities.

## U.S. DIVIDEND EQUIVALENT WITHHOLDING

Section 871(m) of the U.S. Internal Revenue Code of 1986 (the "**Code**") treats a "dividend equivalent" payment as a dividend from sources within the United States that is generally subject to a 30 per cent. U.S. withholding tax which may be reduced by an applicable tax treaty, eligible for credit against other U.S. tax liabilities or refunded, provided that the beneficial owner timely claims a credit or refund from the U.S. Internal Revenue Service ("**IRS**"). A "dividend equivalent" payment is (i) a substitute dividend payment made pursuant to a securities lending or a sale-repurchase transaction that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, (ii) a payment made pursuant to a "specified notional principal contract" that (directly or indirectly) is contingent upon, or determined by reference to, the payment of a dividend from sources within the United States, and (iii) any other payment determined by the IRS to be substantially similar to a payment described in (i) or (ii). The final U.S. Treasury regulations issued under Section 871(m) and applicable guidance (the "**Section 871(m) Regulations**") require withholding on certain non-U.S. holders of Securities with respect to amounts treated as dividend equivalent payments. Under the Section 871(m) Regulations, only a Security that has an expected economic return sufficiently similar to that of the underlying U.S. security, based on tests set forth in the Section 871(m) Regulations, will be subject to the Section 871(m) withholding regime (making such Security a "**Specified Security**"). Certain exceptions to this withholding requirement apply, in particular for instruments linked to certain broad-based indices.

Withholding in respect of dividend equivalents will be required when dividends are paid with respect to the underlying U.S. security. If the underlying U.S. security or securities are expected to pay dividends during the term of the Specified Security, withholding generally will still be required even if the Specified Security does not provide for cash payments explicitly linked to dividends. The Issuer intends to withhold the full 30 per cent. tax on any payment on the Securities in respect of any dividend equivalent arising with respect to such Securities regardless of any exemption from, or reduction in, such withholding otherwise available under applicable law (including, for the avoidance of doubt, where a holder of Securities is eligible for a reduced tax rate under an applicable tax treaty with the United States). The Issuer is unable to apply such an exemption from, or reduction in, such withholding because many central securities depositories do not provide identifying information regarding the beneficial owners of any Specified Security and the Issuer does not expect that the relevant clearing system(s) clearing such Specified Securities will provide such information. If the beneficial owner of a payment is entitled to a reduced rate of withholding under a tax treaty, this may result in over-withholding and the beneficial owner may not be able to obtain a refund. Furthermore, the Issuer will not be able to assist in any refund claims. If the Issuer or any withholding agent determines that withholding is required, neither the Issuer nor any withholding agent will be required to pay any additional amounts with respect to amounts so withheld. Holders entitled to a reduced rate of withholding should consult their tax advisers regarding an investment in any Specified Securities.

Pursuant to IRS guidance, a Security issued prior to 1 January 2025 that does not have a "delta" of one with respect to underlying securities that could pay U.S.-source dividends for U.S. federal income tax purposes generally will not be considered a Specified Security subject to the Section 871(m) Regulations. If the terms of a Security are subject to a "significant modification" (as defined for U.S. tax purposes), the Security would generally be treated as retired and reissued on the date of such modification for purposes of determining, based on economic conditions in effect at that time, whether such Security is a Specified Security. Similarly, if additional Securities of the same series are issued (or deemed issued for U.S. tax purposes, such as certain sales of Securities out of inventory) after the original issue date, the IRS could treat the issue date for determining whether the existing Securities are Specified Securities as the date of such subsequent sale or issuance. Consequently, a previously out of scope Security, might be treated as a Specified Security following such modification or further issuance.

The applicable Final Terms will indicate whether the Issuer has determined that Securities are Specified Securities and will specify contact details or the location for obtaining additional information regarding the application of Section 871(m) to Securities. The applicable Final Terms will also indicate if payments on a series of Specified



Securities are calculated by reference to "Net Dividends" (i.e., the dividends paid by an issuer of a security net of 30 per cent. U.S. federal withholding tax), "Net Total Returns" (i.e., the net total return of the U.S. source dividend paying components, as calculated by the relevant Index Sponsor, of an index that reinvests U.S. source dividends paid by an issuer of a security that is a component of the index net of 30 per cent. U.S. withholding tax on such U.S. source dividends), or "Estimated Dividends" (ie. the per-share dividend for each anticipated dividend as disclosed in the applicable Final Terms). If Securities are Specified Securities, a non-U.S. holder of Securities should expect to be subject to withholding in respect of any dividend-paying U.S. securities underlying those Securities. The Issuer's determination is binding on non-U.S. holders of the Securities, but it is not binding on the IRS. The Section 871(m) Regulations require complex calculations to be made with respect to Securities linked to U.S. securities and their application to a specific issue of Securities may be uncertain. Prospective investors should consult their tax advisers regarding the potential application of Section 871(m) to the Securities.

## FOREIGN ACCOUNT TAX COMPLIANCE ACT

Pursuant to certain provisions of the Code, commonly known as FATCA, withholding may be required on, among other things, (i) certain payments made by "foreign financial institutions" ("**foreign passthru payments**") and (ii) dividend equivalent payments in respect of a Specified Security (as described above in "*U.S. Dividend Equivalent Withholding*"), in each case, to persons that fail to meet certain certification, reporting, or related requirements. The Issuers are foreign financial institutions for these purposes. A number of jurisdictions (including the Netherlands and France) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes.

Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Securities, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Securities, are uncertain and may be subject to change. If withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register and Securities characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or before the relevant grandfathering date would be "grandfathered" for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer). The grandfathering date for (A) Securities that give rise solely to foreign passthru payments, is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, and (B) Securities that give rise to a dividend equivalent pursuant to Section 871(m) of the Code and the U.S. Treasury regulations promulgated thereunder, is six months after the date on which obligations of its type are first treated as giving rise to dividend equivalents. If additional securities (as described under "*Terms and Conditions of the Securities*"—*Further Issues*") that are not distinguishable from such previously issued grandfathered Securities are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Securities, including the Securities offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Securities. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Securities, no person will be required to pay additional amounts as a result of the withholding.

## SWISS TAXATION

*On 3 October 2017, the Swiss Federal Tax Administration issued updated Circular Letter No. 15 regarding Certificates and Derivative Financial Instruments subject to Direct Federal Tax, Withholding Tax and Stamp Duty ("**Circular Letter No. 15**"). The Securities issued pursuant to the Programme will be taxed in accordance with Circular Letter No. 15 and its appendices. Depending on the qualification of the relevant Security by the competent Swiss tax authorities the taxation of each Security may be different.*

*Hence, the following is an overview only of the Issuers' understanding of current law and practice in Switzerland relating to the taxation of the Securities issued pursuant to the Programme. Because this overview does not address all tax considerations under Swiss law and as the specific tax situation of an investor cannot be considered in this context, investors are recommended to consult their personal tax advisers as to the tax consequences of the purchase, ownership, sale or redemption of and the income derived from the Securities issued pursuant to the Programme including, in particular, the effect of tax laws of any other jurisdiction.*

### **Swiss federal withholding tax**

According to current Swiss tax law and the present practice of the Swiss Federal Tax Administration, payments of interest and principal (in the case of Certificates) or payment of the Cash Settlement Amount (in the case of Warrants) by the relevant Issuer as a non-Swiss legal entity should not be subject to Swiss federal withholding tax (*Verrechnungssteuer*), provided that the relevant Issuer of the Securities is at all times domiciled and effectively managed outside of Switzerland.

If there was a deduction or withholding of Swiss federal withholding tax on any interest payments in respect of the Securities, the holders of Securities would not be entitled to receive any additional amounts as a result of such deduction or withholding under the terms of the Securities.

### **Swiss federal securities transfer tax**

Swiss federal securities transfer tax (*Umsatzabgabe*) is levied on the transfer of ownership against consideration of certain taxable securities (which may include the Securities) if a securities dealer in Switzerland or Liechtenstein, as defined in the Swiss federal stamp duty act (*Bundesgesetz über die Stempelabgaben*), is a party or acts as an intermediary to the transaction and no exemption applies. Hence, secondary market transactions in the Securities may be subject to Swiss federal securities transfer tax at a rate of up to 0.3%, calculated on the purchase price or sales proceeds.

### **Federal, cantonal and communal individual income tax and corporate income tax**

#### *Securities held by non-Swiss holder*

Holders of the Securities who are not resident in Switzerland for tax purposes, and who during the respective taxation year, have not engaged in a trade or business carried out through a permanent establishment or a fixed place of business situated in Switzerland to which the Securities are attributable for tax purposes and who are not subject to income taxation in Switzerland for any other reason ("**Non-Resident Securityholders**") are in respect of the Securities not subject to any Swiss federal, cantonal and communal income tax, whether on interest (and/or discount and/or premium, if any) paid (in the case of Certificates), on the payment of principal (in the case of Certificates) or the payment of the Cash Settlement Amount (in the case of Warrants) or on any gain realised on the sale or other disposition of the Securities.

#### *Securities held as private asset by a Swiss resident holder*

Individuals resident in Switzerland who hold their Securities as private assets ("**Resident Private Securityholders**") are required to include payments on such Securities, which are considered, from a Swiss

taxation perspective, as investment income (dividends or interests or other income), in their personal income tax return for the relevant tax period and will be taxable on any net taxable income for such tax period.

Gains or losses realised upon a sale or other disposition by Resident Private Securityholders qualifying as private capital gains or losses for Swiss tax purposes are generally not subject to income taxation or are not deductible from taxable income respectively. Capital gains may, however, be subject to income taxation, if a Security or a distinguishable part thereof qualifies as a bond where the predominant part of the annual yield is paid in a one-time payment (*überwiegende Einmalverzinsung*) or the Security is considered as not transparent for Swiss tax purposes. Losses arising from predominant one-time interest paying bonds may be deducted from gains from similar instruments in the same tax period. Furthermore, for low exercise price options (LEPO) with a maturity exceeding one year, the interest component is subject to income tax.

Profits and option premiums from Securities, which are considered as pure derivatives for Swiss tax purposes (financial futures, options) are not subject to the income tax as such profits are in general considered as private capital gains provided the investor is holding the Securities as private assets. Possible losses are not tax-deductible.

Income derived from a Security which is neither a private capital gain nor a repayment of paid-in capital (or face value in case of shares) is generally subject to income tax. This applies, *inter alia*, to any issuance discount, repayment premium, other guaranteed payments (besides repayment of capital) or any combination thereof. Payments received by an investor because of dividends, interest etc. of the underlying may be subject to income tax for such investor. This may apply likewise to payments or credits derived from underlying funds.

#### *Securities held as business asset by a Swiss resident holder classified as professional securities dealers*

Corporate entities and individuals who hold their Securities as part of a trade or business in Switzerland, which in the case of residents abroad, is carried out through a permanent establishment or a fixed place of business in Switzerland ("**Domestic Commercial Securityholders**"), are required to recognise the payments of interest and any gain realised on the sale, redemption or exercise of such Securities (including a gain relating to interest accrued) and any loss on such Securities in their income statement for the respective tax period and will be taxable on any net taxable earnings for such period. The same taxation treatment also applies to Swiss resident individuals who, for income tax purposes, are classified as "professional securities dealers" for reasons of, *inter alia*, frequent dealings and leveraged investments in securities.

#### **Cantonal and communal private wealth tax and capital tax**

Holders of the Securities who are Non-Resident Securityholders are not subject to Swiss cantonal and communal private wealth tax or capital tax.

Holders of the Securities who are Resident Private Securityholders or individuals that are Domestic Commercial Securityholders are required to report the Securities as part of their private wealth or as part of their Swiss business assets, as the case may be, and are subject to annual cantonal and/or communal private wealth tax on any net taxable wealth (including the Securities); however, in the case of individuals that are Domestic Commercial Securityholders, only to the extent aggregate taxable wealth is allocable to Switzerland. Corporate Domestic Commercial Securityholders are required to report the Securities as part of their assets in their financial statements and are subject to cantonal and communal capital tax on net taxable equity; however, in the case of a non-Swiss resident corporate Domestic Commercial Securityholders holding Securities as part of a Swiss permanent establishment, only to the extent aggregate taxable equity is allocable to Switzerland. No wealth tax and no capital tax are levied at the federal level.

### **Automatic exchange of information in tax matters**

On 19 November 2014, Switzerland signed the Multilateral Competent Authority Agreement (the "**MCAA**"). The MCAA is based on article 6 of the OECD/Council of Europe administrative assistance convention and is intended to ensure the uniform implementation of Automatic Exchange of Information (the "**AEOI**"). The Federal Act on the International Automatic Exchange of Information in Tax Matters (the "**AEOI Act**") entered into force on 1 January 2017. The AEOI Act is the legal basis for the implementation of the AEOI standard in Switzerland.

The AEOI is being introduced in Switzerland through bilateral agreements or multilateral agreements. The agreements have, and will be, concluded on the basis of guaranteed reciprocity, compliance with the principle of speciality (i.e. the information exchanged may only be used to assess and levy taxes (and for criminal tax proceedings)) and adequate data protection. An up-to-date list of the AEOI agreements of Switzerland in effect or signed and becoming effective, including the dates of commencement of data collection and data exchange, can be found on the website of the State Secretariat for International Financial Matters SIF <[www.sif.admin.ch](http://www.sif.admin.ch)>.

Based on such bilateral or multilateral agreements, as the case may be, and the implementation of Swiss law, Switzerland collects and exchanges data in respect of financial assets, including the Securities, held in, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of individuals resident in a European Union member state or in a treaty state.

## **OTHER TAXATION**

The payment of the Cash Settlement Amount on the Securities, if any, will be made subject to withholding taxes and other taxes which the law may impose on holders of the Securities.

Individuals and legal entities should consult their usual tax advisors with respect to the tax treatment which applies to them.

In addition, holders of the Securities should comply with the tax laws applicable in the jurisdiction in which they are resident, subject to the application of any applicable tax treaty in force between France or, as the case may be, the Netherlands, and such jurisdiction.

Purchasers of Securities may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase in addition to the issue price of each Security.

TRANSACTIONS INVOLVING SECURITIES MAY HAVE TAX CONSEQUENCES FOR POTENTIAL PURCHASERS WHICH MAY DEPEND, AMONGST OTHER THINGS, UPON THE STATUS OF THE POTENTIAL PURCHASER AND LAWS RELATING TO TRANSFER AND REGISTRATION TAXES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THE TAX POSITION OF ANY ASPECT OF TRANSACTIONS INVOLVING SECURITIES SHOULD CONSULT THEIR OWN TAX ADVISERS.

Transactions involving Securities may have tax consequences for potential purchasers which may depend, amongst other things, upon the status of the potential purchaser and may relate to transfer and registration taxes.

Condition 11 (Expenses and Taxation) should be considered carefully by all potential purchasers of any Securities.

All prospective holders should seek independent advice as to their tax positions.

## OFFERING AND SALE

No action has been or will be taken by BNPP B.V., BNPP or the Managers that would permit a public offering of any Securities or possession or distribution of any offering material in relation to any Securities in any jurisdiction where action for that purpose is required. No offers, sales, re-sales or deliveries of any Securities, or distribution of any offering material relating to any Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and which will not impose any obligation on BNPP B.V., BNPP and/or the Managers.

### United States

None of the Securities, the Guarantees or, in the case of Physical Delivery Securities, the Entitlement to be delivered upon the exercise (in the case of Physical Delivery Warrants) or the redemption (in the case of Physical Delivery Certificates) of such Securities has been, or will be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or under the securities laws of any state or other jurisdiction of the United States. Furthermore, neither the sale of nor trading in the Securities has been approved by the CFTC (as defined herein) under the Commodity Exchange Act (as defined herein) and no U.S. person (as defined herein) may at any time purchase, trade, exercise or maintain a position in the Securities unless otherwise specified in the relevant Final Terms for the Securities. Neither Issuer has registered as an investment company pursuant to the Investment Company Act.

### *Regulation S Securities*

Unless otherwise specified in the applicable Final Terms, the Securities are being offered and sold in reliance on Regulation S (as defined herein) under the Securities Act and such Securities will be subject to the additional offer and transfer restrictions and representations and agreements described below. No Securities, other than U.S. Securities, or interests therein, may at any time be offered, sold, resold, traded, pledged, exercised, redeemed, transferred or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person (as defined herein), and any offer, sale, resale, trade, pledge, exercise, redemption, transfer or delivery made, directly or indirectly, within the United States or to, or for the account or benefit of, a U.S. person (as defined herein) will not be recognised. The Securities of such series may not be legally or beneficially owned at any time by any U.S. person (as defined herein), and accordingly are being offered and sold outside the United States only to persons that are not U.S. persons (as defined herein) in reliance on Regulation S.

Each prospective purchaser of Securities, by accepting delivery of this Base Prospectus and the Securities, will be deemed to have represented and agreed as follows:

- (a) it understands that Securities and, in certain cases, the securities (if any) to be delivered when Securities are redeemed and/or exercised, have not been, and will not be, registered under the Securities Act, or under the securities laws of any state or other jurisdiction of the United States; and that trading in the Securities has not been approved by the CFTC under the Commodity Exchange Act, or by the Securities Exchange Commission;
- (b) it is not a U.S. person (as defined herein) and, if it is acting for the account or benefit of another person, such other person is also not a U.S. person (as defined herein);
- (c) it understands and acknowledges that the Issuers have the right to compel any beneficial owner of an interest in Securities to certify periodically that such beneficial owner is not a U.S. person (as defined herein);
- (d) it understands and acknowledges that the Issuers have the right to refuse to honour the transfer of an interest in Securities in violation of the transfer restrictions applicable to such Securities;

- (e) it understands and acknowledges that the Issuers have the right to compel any beneficial owner who is a U.S. person (as defined herein) to (i) sell its interests in the Securities to a person who is not a U.S. person (as defined herein) in an offshore transaction pursuant to Regulation S under the Securities Act, or (ii) transfer its interests in the Securities to the relevant Issuer or an affiliate of such Issuer at a price equal to the lesser of (x) the purchase price therefor paid by such beneficial owner, (y) 100 per cent. of the principal amount thereof and (z) the fair market value thereof;
- (f) it understands that the Securities will bear a legend to the following effect:

[THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS. SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS REGULATION S GLOBAL CERTIFICATE (THE **ISSUER**), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **1940 ACT**). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.]<sup>[8]</sup>

[NEITHER THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE NOR THE GUARANTEE OF THESE SECURITIES ISSUED BY BNP PARIBAS (THE **GUARANTOR**) HAVE BEEN REGISTERED OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS. SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE MAY NOT BE OFFERED, SOLD PLEDGED OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER BNP PARIBAS ISSUANCE B.V., THE ISSUER OF THIS REGULATION S GLOBAL CERTIFICATE (THE **ISSUER**) NOR THE GUARANTOR, HAS REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **1940 ACT**). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.]<sup>[9]</sup>

THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE MAY NOT BE HELD OR REDEEMED BY OR ON BEHALF OF ANY PERSON THAT IS (I) A "U.S. PERSON" AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (**REGULATION S**); OR (II) A PERSON OTHER THAN A "NON-UNITED STATES PERSON" AS DEFINED IN RULE 4.7 UNDER THE UNITED STATES COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE **COMMODITY EXCHANGE ACT**); OR (III) A "U.S. PERSON" AS DEFINED IN (A) THE INTERPRETIVE GUIDANCE AND POLICY STATEMENT REGARDING COMPLIANCE WITH CERTAIN SWAP REGULATIONS PROMULGATED BY THE COMMODITY FUTURES TRADING COMMISSION (THE **CFTC**) OR (B) THE FINAL RULE RELATING TO CROSS-BORDER APPLICATION OF THE REGISTRATION THRESHOLDS AND CERTAIN REQUIREMENTS APPLICABLE TO SWAP DEALERS AND MAJOR SWAP PARTICIPANTS

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<sup>8</sup> Delete where BNPP B.V. is the Issuer.

<sup>9</sup> Delete where BNP Paribas is the Issuer.



PROMULGATED BY THE CFTC, IN EACH CASE AS AMENDED, MODIFIED OR SUPPLEMENTED FROM TIME TO TIME, PURSUANT TO THE COMMODITY EXCHANGE ACT; OR (IV) ANY OTHER "U.S. PERSON" AS SUCH TERM MAY BE DEFINED IN REGULATION S OR IN REGULATIONS OR GUIDANCE ADOPTED UNDER THE COMMODITY EXCHANGE ACT (EACH SUCH PERSON, A **U.S. PERSON**).

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS NOT A U.S. PERSON (AS DEFINED ABOVE) AND THAT IT AND EACH SUCH HOLDER HAS ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF REGULATION S AND CFTC REGULATIONS AND GUIDANCE AND WILL NOT ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO THE SECURITIES UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. [ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE PRINCIPAL AGENT A TRANSFER CERTIFICATE, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 10 OF THE AGENCY AGREEMENT REFERRED TO HEREIN (OR IN THE FORM ATTACHED TO THE FINAL TERMS).]<sup>[10]</sup> IF AT ANY TIME THE PRINCIPAL AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A **DISQUALIFIED TRANSFEREE**) AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

THE ACQUISITION OF U.S. SECURITIES (OR ANY INTEREST THEREIN) BY, OR ON BEHALF OF OR WITH THE ASSETS OF, ANY "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), THAT IS SUBJECT TO TITLE I OF ERISA, OR ANY "PLAN" AS DEFINED IN SECTION 4975(E)(1) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**), THAT IS SUBJECT TO SECTION 4975 OF THE CODE, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA), OR ANY GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S. OR U.S. LOCAL, STATE OR OTHER FEDERAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE IS PROHIBITED.

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE IS PERMISSIBLE UNDER THE SECURITIES ACT.

THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND

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<sup>10</sup> Delete where BNP Paribas is the Issuer.

OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE PURCHASER OR TRANSFEREE OF SECURITIES REPRESENTED BY THIS REGULATION S GLOBAL CERTIFICATE SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (a) it has such knowledge and experience in financial and business matters and is capable of evaluating the merits and risks of purchasing Securities, and it can bear the economic risk of an investment therein; and
- (b) the Issuers, the Registrar, the Dealers and their affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

As used herein, a "**U.S. person**" means a person that is (i) a "U.S. person" as defined in Regulation S under the United States Securities Act of 1933, as amended ("**Regulation S**"); or (ii) a person other than a "Non-United States person" as defined in Rule 4.7 under the United States Commodity Exchange Act, as amended (the "**Commodity Exchange Act**"); or (iii) a "U.S. person" as defined in (a) the Interpretive Guidance and Policy Statement Regarding Compliance with Certain Swap Regulations promulgated by the Commodity Futures Trading Commission (the "**CFTC**") or (b) the final rule relating to Cross-Border Application of the Registration Thresholds and Certain Requirements Applicable to Swap Dealers and Major Swap Participants promulgated by the CFTC, in each case as amended, modified or supplemented from time to time, pursuant to the Commodity Exchange Act; or (iv) any other "U.S. person" as such term may be defined in Regulation S or in regulations or guidance adopted under the Commodity Exchange Act.

#### *Offers and Sales of U.S. Securities in the United States*

If specified in the applicable Final Terms, certain issues of Securities may be offered and sold in the United States. Such U.S. Securities may only be offered and sold (a) by BNPP to (I) persons reasonably believed to be QIBs in reliance upon the exemption from the registration requirements of the Securities Act under Rule 144A and/or (II) certain institutional accredited investors ("**AI**s") (as defined in Rule 501(a)(1), (2), (3), (7), (8) or (9) of Regulation D under the Securities Act) in reliance upon an exemption from the registration requirements of the Securities Act or (b) by BNPP B.V. to persons reasonably believed to be a QIB and a QP in reliance upon the exemption from the registration requirements of the Securities Act under Rule 144A. In either such case, such U.S. Securities may concurrently be offered and sold to persons that are not U.S. persons in offshore transactions in reliance on Regulation S. Offers and sales of U.S. Securities in the United States will be made only through broker-dealers who are registered as such under the Exchange Act.

U.S. Securities are being offered from time to time within the United States by the Issuers through BNP Paribas Securities Corp., a broker-dealer affiliate of the Issuers (the "**Initial Dealer**"), in the case of U.S. Securities offered by BNPP, or one or more other broker-dealers appointed by the Issuers from time to time (collectively with the Initial Dealer, the "**U.S. Dealers**"). The U.S. Securities may be sold to each U.S. Dealer at a discount, as principal, for resale to investors or other purchasers at varying prices related to prevailing market prices at the time of resale, to be determined by such U.S. Dealer or, if so agreed, at a fixed offering price. BNPP or BNPP B.V., as the case may be, will have the sole right to accept offers to purchase U.S. Securities and may reject any proposed purchase of U.S. Securities in whole or in part. Each U.S. Dealer will have the right, in its discretion reasonably exercised, to reject any proposed purchase of U.S. Securities through it in whole or in part.

Each of BNPP and BNPP B.V. has reserved the right to sell U.S. Securities through one or more other dealers in addition to the U.S. Dealers and directly to investors on its own behalf in those jurisdictions where it is authorised to do so. No commission will be payable by either Issuer to any of the relevant U.S. Dealers on account of sales of U.S. Securities made through such other dealers or directly by such Issuer.

In addition, the U.S. Dealers may offer the U.S. Securities they have purchased as principal to other dealers. The U.S. Dealers may sell U.S. Securities to any dealer at a discount and, unless otherwise specified in the applicable Final Terms, such discount allowed to any dealer will not be in excess of the discount to be received by such U.S. Dealer from the applicable Issuer. Unless otherwise indicated in the applicable Final Terms, any U.S. Securities sold to a U.S. Dealer as principal will be purchased by such U.S. Dealer at a price equal to 100 per cent. of the principal amount thereof less a percentage equal to the commission applicable to any agency sale of U.S. Securities of identical maturity, and may be resold by the U.S. Dealer to investors and other purchasers as described above. After the initial offering of U.S. Securities to be resold to investors and other purchasers, the offering price (in the case of U.S. Securities to be resold at a fixed offering price), the concession and discount may be changed.

Each of BNPP and BNPP B.V. has agreed to indemnify each relevant U.S. Dealer against, or to make contributions relating to, certain civil liabilities, including liabilities under the Securities Act.

The Initial Dealer has advised the Issuers that the Initial Dealer may make a market in the U.S. Securities; however, BNPP or BNPP B.V., as the case may be, cannot provide any assurance that a secondary market for the U.S. Securities will develop. After a distribution of a series of U.S. Securities is completed, because of certain regulatory restrictions arising from its affiliation with the applicable Issuer, the Initial Dealer may not be able to make a market in such series of U.S. Securities or, except on a limited, unsolicited basis, effect any transactions for the account of any customer in such series of U.S. Securities. Other broker-dealers unaffiliated with the applicable Issuer will not be subject to such prohibitions.

This Base Prospectus and any Final Terms may be used by affiliates of the Issuers in connection with offers and sales related to secondary market transactions in the U.S. Securities. Such affiliates may act as principal or agent in such transactions. Such sales will be made at prices related to prevailing prices at the time of a sale.

BNP Paribas Securities Corp., the Initial Dealer for the U.S. Securities offered hereby, is a subsidiary of BNPP and an affiliate of BNPP B.V.

Each U.S. Dealer may be deemed to be an "underwriter" within the meaning of the Securities Act, and any discounts and commissions received by it and any profit realised by it on resale of the U.S. Securities may be deemed to be underwriting discounts and commissions.

In connection with sales of U.S. Securities outside the United States, each relevant U.S. Dealer will be required to agree that, except as described in the preceding paragraph, it has not offered, sold or delivered, and will not offer, sell or deliver, any Securities within the United States or to, or for the account or benefit of, U.S. persons as part of its distribution at any time.

In addition, an offer or sale of such U.S. Securities within the United States by any dealer may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another available exemption under the Securities Act.

Each prospective purchase of Securities, by accepting delivery of this Base Prospectus and the Securities, will be deemed to have represented and agreed that it understands that the Securities will bear a legend to the following effect:

- (a) Rule 144A Global Warrants or Rule 144A Global Certificates issued by BNPP will bear a legend to the following effect unless otherwise agreed to by BNPP:

"THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] HAVE NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS. SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL

[[WARRANT]/[CERTIFICATE]] MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] (THE **ISSUER**), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE [[EXERCISE]/[REDEMPTION]] OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS.

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT (**RULE 144A**) AND ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A. ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT AGENT A TRANSFER CERTIFICATE, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER, IN THE CASE OF TRANSFERS TO CERTAIN INSTITUTIONAL ACCREDITED INVESTORS WITHIN THE MEANING OF RULE 501(A)(1), (2), (3), (7), (8) OR (9) OF REGULATION D UNDER THE SECURITIES ACT, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 10 OF THE AGENCY AGREEMENT REFERRED TO HEREIN (OR IN THE FORM ATTACHED TO THE FINAL TERMS). IF AT ANY TIME THE RELEVANT AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A **DISQUALIFIED TRANSFEREE**) AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

BY ITS ACQUISITION AND HOLDING OF THE U.S. SECURITIES HEREOF (OR ANY INTERESTS HEREIN), THE HOLDER REPRESENTS, ON EACH DAY FROM THE DATE ON WHICH IT ACQUIRES THE U.S. SECURITIES (OR ANY INTERESTS THEREIN), THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF SUCH U.S. SECURITIES (OR ANY INTERESTS THEREIN) EITHER THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF OR USING THE ASSETS OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) (EACH OF

THE FOREGOING, A **PLAN**), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S. OR U.S. LOCAL STATE OR OTHER FEDERAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE (**SIMILAR LAW**), OR (B) ITS ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE U.S. SECURITIES (OR ANY INTERESTS THEREIN) (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW).

IF THE HOLDER HEREOF IS, OR IS ACTING ON BEHALF OF, A PLAN, IT WILL BE FURTHER DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF BNPP, BNPP B.V., ANY OTHER PARTY TO THE TRANSACTIONS REFERRED TO IN THE BASE PROSPECTUS OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE ON WHICH IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE PLAN (**PLAN FIDUCIARY**), HAS RELIED IN CONNECTION WITH ITS DECISION TO INVEST IN THE U.S. SECURITIES, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(E)(3) OF THE CODE, TO THE PLAN OR THE PLAN FIDUCIARY IN CONNECTION WITH THE PLAN'S ACQUISITION OF THE U.S. SECURITIES, AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION.

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] IS PERMISSIBLE UNDER THE SECURITIES ACT.

THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A SECURITY REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]], THE PURCHASER HEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (b) that Rule 144A Global Warrants or Rule 144A Global Certificates issued by BNPP B.V. will bear a legend to the following effect unless otherwise agreed to by BNPP B.V:

"NEITHER THE SECURITIES NOR THE GUARANTEE OF THESE SECURITIES ISSUED BY BNP PARIBAS (THE **GUARANTOR**) REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] HAVE BEEN REGISTERED OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS. SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. NEITHER BNP PARIBAS ISSUANCE B.V., THE ISSUER OF THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] (THE **ISSUER**), NOR THE GUARANTOR, HAS REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE **1940 ACT**). THE PURCHASER OR TRANSFEREE OF ANY SECURITY REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] ACKNOWLEDGES THE

RESTRICTIONS ON THE TRANSFER OF THE SECURITIES SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER ANY SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE [[EXERCISE]/[REDEMPTION]] OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS.

EACH HOLDER OF A BENEFICIAL INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] SHALL BE DEEMED TO HAVE REPRESENTED WITH RESPECT TO ITSELF AND EACH ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND EACH HOLDER OF SUCH ACCOUNT IS (A) (w) A QUALIFIED PURCHASER WITHIN THE MEANING OF SECTION 3(c) (7) OF THE 1940 ACT (x) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (UNLESS EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (y) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS IF THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED ON OR BEFORE APRIL 30, 1996 AND (z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENT TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE 1940 ACT EXEMPTION OR EXCLUSION AND (B) A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A AND ACQUIRED SUCH INTEREST IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A.

ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT SECURITY AGENT A CERTIFICATE OF TRANSFER, IN THE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER, TOGETHER WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 10 OF THE AGENCY AGREEMENT REFERRED TO HEREIN OR AS OTHERWISE PROVIDED BY THE ISSUER. IF AT ANY TIME THE RELEVANT AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THE SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A **DISQUALIFIED TRANSFEREE**) AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

BY ITS ACQUISITION AND HOLDING OF THE U.S. SECURITIES HEREOF (OR ANY INTERESTS HEREIN), THE HOLDER REPRESENTS, ON EACH DAY FROM THE DATE ON WHICH IT ACQUIRES THE U.S. SECURITIES (OR ANY INTERESTS THEREIN) THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF SUCH U.S. SECURITIES (OR ANY INTERESTS THEREIN), EITHER THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF OR USING THE ASSETS OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) (EACH OF

THE FOREGOING, A **PLAN**), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S. OR U.S. LOCAL, STATE OR OTHER FEDERAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE (**SIMILAR LAW**), OR (B) ITS ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE U.S. SECURITIES (OR ANY INTERESTS THEREIN) (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW).

IF THE HOLDER HEREOF IS, OR IS ACTING ON BEHALF OF, A PLAN, IT WILL BE FURTHER DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF BNPP, BNPP B.V., ANY OTHER PARTY TO THE TRANSACTIONS REFERRED TO IN THE BASE PROSPECTUS OR ANY OF THEIR RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE ON WHICH IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE PLAN (**PLAN FIDUCIARY**), HAS RELIED IN CONNECTION WITH ITS DECISION TO INVEST IN THE U.S. SECURITIES, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(E)(3) OF THE CODE, TO THE PLAN OR THE PLAN FIDUCIARY IN CONNECTION WITH THE PLAN'S ACQUISITION OF THE U.S. SECURITIES, AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION.

IF REQUESTED BY THE ISSUER OR BY A SECURITY AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF SECURITIES REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]] IS PERMISSIBLE UNDER THE SECURITIES ACT. THE SECURITIES AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR REALES AND OTHER TRANSFERS OF THE SECURITIES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF A SECURITY REPRESENTED BY THIS RULE 144A GLOBAL [[WARRANT]/[CERTIFICATE]], THE PURCHASER OR TRANSFEREE THEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.";

- (c) that Private Placement Definitive Securities issued by BNPP will bear a legend to the following effect unless otherwise agreed to by BNPP:

"THIS SECURITY HAS NOT BEEN REGISTERED AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**) OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS. THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE SECURITIES ACT UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE. BNP PARIBAS, THE ISSUER OF THIS SECURITY (THE **ISSUER**), HAS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE PURCHASER OR TRANSFEREE OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, ACKNOWLEDGES THE RESTRICTIONS ON THE TRANSFER OF THIS SECURITY SET FORTH BELOW AND AGREES THAT IT SHALL TRANSFER THIS SECURITY ONLY AS PROVIDED IN THE AGENCY AGREEMENT REFERRED TO HEREIN OR IN THE FINAL TERMS ATTACHED HERETO.

THE EXERCISE OF THESE SECURITIES MAY BE RESTRICTED AS SET FORTH IN THE FINAL TERMS. THIS SECURITY MAY ONLY BE TRANSFERRED, EXERCISED OR REDEEMED IN MINIMUM AMOUNTS OF U.S.\$250,000, AND THE REMAINING PORTION MUST BE AT LEAST U.S.\$250,000.

THE HOLDER OF THIS SECURITY SHALL BE REQUIRED TO REPRESENT WITH RESPECT TO ITSELF AND ANY ACCOUNT FOR WHICH IT IS PURCHASING THAT IT AND ANY HOLDER OF SUCH ACCOUNT IS AN INSTITUTIONAL "ACCREDITED INVESTOR" WITHIN THE MEANING OF RULE 501(A)(1), (2), (3), (7), (8) OR (9) OF REGULATION D UNDER THE SECURITIES ACT AND ACQUIRED SUCH INTEREST IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. ANY RESALE OR OTHER TRANSFER OF AN INTEREST IN THIS SECURITY SHALL REQUIRE THE TRANSFEROR TO SUBMIT TO THE RELEVANT AGENT A TRANSFER CERTIFICATE, IN THE APPROPRIATE FORM SET FORTH IN SCHEDULE 9 OF THE AGENCY AGREEMENT REFERRED TO HEREIN, TOGETHER, IN THE CASE OF A TRANSFER TO AN ACCREDITED INVESTOR, WITH A DULY EXECUTED INVESTOR REPRESENTATION LETTER FROM THE RELEVANT TRANSFEREE, IN THE FORM SET FORTH IN SCHEDULE 10 OF THE AGENCY AGREEMENT REFERRED TO HEREIN (OR IN THE FORM ATTACHED TO THE APPLICABLE FINAL TERMS). IF AT ANY TIME THE RELEVANT AGENT SUBSEQUENTLY DETERMINES OR IS SUBSEQUENTLY NOTIFIED BY THE ISSUER THAT THE HOLDER OF ANY INTEREST IN THIS SECURITY WAS IN BREACH, AT THE TIME GIVEN, OF ANY REPRESENTATION OR AGREEMENT GIVEN BY SUCH HOLDER, THE PURPORTED TRANSFER SHALL BE ABSOLUTELY NULL AND VOID *AB INITIO* AND SHALL VEST NO RIGHTS IN THE PURPORTED TRANSFEREE (SUCH PURPORTED TRANSFEREE, A **DISQUALIFIED TRANSFEREE**) AND THE LAST PRECEDING HOLDER OF SUCH INTEREST THAT WAS NOT A DISQUALIFIED TRANSFEREE SHALL BE RESTORED TO ALL RIGHTS AS A HOLDER THEREOF RETROACTIVELY TO THE DATE OF TRANSFER OF SUCH INTEREST BY SUCH HOLDER.

BY ITS ACQUISITION AND HOLDING OF THE U.S. SECURITIES HEREOF (OR ANY INTERESTS HEREIN), THE HOLDER REPRESENTS, ON EACH DAY FROM THE DATE ON WHICH IT ACQUIRES THE U.S. SECURITIES (OR ANY INTERESTS THEREIN) THROUGH AND INCLUDING THE DATE ON WHICH IT DISPOSES OF SUCH U.S. SECURITIES (OR ANY INTERESTS THEREIN), EITHER THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF OR USING THE ASSETS OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED (**ERISA**), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE **CODE**), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN OR PLAN BY REASON OF DEPARTMENT OF LABOR REGULATION SECTION 2510.3-101 (AS MODIFIED BY SECTION 3(42) OF ERISA) (EACH OF THE FOREGOING, A **PLAN**), OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN SUBJECT TO NON-U.S. OR U.S. LOCAL, STATE OR OTHER FEDERAL LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE (**SIMILAR LAW**), OR (B) ITS ACQUISITION, HOLDING AND SUBSEQUENT DISPOSITION OF THE U.S. SECURITIES (OR ANY INTERESTS THEREIN) (INCLUDING, IF APPLICABLE, THE RECEIPT OF ANY GUARANTEE OR ENTITLEMENT) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN THE CASE OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW).

IF THE HOLDER HEREOF IS, OR IS ACTING ON BEHALF OF, A PLAN, IT WILL BE FURTHER DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF BNPP, BNPP B.V., ANY OTHER PARTY TO THE TRANSACTIONS REFERRED TO IN THE BASE PROSPECTUS OR ANY OF THEIR



RESPECTIVE AFFILIATES, HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE ON WHICH IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE PLAN (**PLAN FIDUCIARY**), HAS RELIED IN CONNECTION WITH ITS DECISION TO INVEST IN THE U.S. SECURITIES, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(E)(3) OF THE CODE, TO THE PLAN OR THE PLAN FIDUCIARY IN CONNECTION WITH THE PLAN'S ACQUISITION OF THE U.S. SECURITIES, AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE TRANSACTION.

IF REQUESTED BY THE ISSUER OR BY AN AGENT, THE PURCHASER OR TRANSFEREE AGREES TO PROVIDE THE INFORMATION NECESSARY TO DETERMINE WHETHER THE TRANSFER OF THIS SECURITY IS PERMISSIBLE UNDER THE SECURITIES ACT.

IN CONNECTION WITH ANY TRANSFER, THE HOLDER WILL DELIVER TO THE DEFINITIVE AGENT SUCH OPINIONS OF COUNSEL, CERTIFICATES AND/OR OTHER INFORMATION AS IT MAY REASONABLY REQUIRE IN FORM REASONABLY SATISFACTORY TO IT AS PROVIDED FOR IN THE AGENCY AGREEMENT REFERRED TO HEREIN TO CONFIRM THAT THE TRANSFER COMPLIED WITH THE FOREGOING TRANSFER RESTRICTIONS AS PROVIDED FOR IN SUCH AGENCY AGREEMENT.

THIS SECURITY AND RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON AND PROCEDURES FOR RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. BY THE ACCEPTANCE OF THIS SECURITY, THE PURCHASER OR TRANSFEREE HEREOF SHALL BE DEEMED TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT."

Terms used above that are defined in Rule 144A or Regulation S have the respective meanings given to them therein, as applicable.

Securities in bearer form that are debt for U.S. federal income tax purposes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to United States persons, except in certain circumstances permitted by U.S. Treasury regulations. The applicable Final Terms will specify whether the provisions of U.S. Treas. Reg. Section 1.163-5(c)(2)(i)(C) (or any successor U.S. Treasury Regulation section including, without limitation, regulations issued in accordance with U.S. Internal Revenue Service Notice 2012-20 or otherwise in connection with the U.S. Hiring Incentives to Restore Employment Act of 2010) ("**TEFRA C**") apply or do not apply ("**TEFRA not applicable**") to the issuance of Securities. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the Treasury regulations promulgated thereunder.

The Final Terms in respect of any U.S. Securities will set forth additional information relating to the offer, sale or distribution of U.S. Securities.

The issuance of the Securities which constitute Secured Securities was not designed to comply with the U.S. Risk Retention Rules other than the "foreign transaction safe harbor" exemption under the U.S. Risk Retention Rules, and no other steps have been taken by the Issuer, BNPP, the Managers or any of their affiliates or any other party to accomplish such compliance.

As part of the initial distribution of the Securities of each series which constitute Secured Securities, such Securities may not be purchased by any person except for persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules, or "**Risk Retention U.S. Persons**". "**U.S. Risk Retention Rules**" means Regulation

RR (17 C.F.R Part 246) implementing the risk retention requirements of Section 15G of the U.S. Securities Exchange Act of 1934, as amended. Prospective investors should note that, although the definition of "U.S. person" in the U.S. Risk Retention Rules is very similar to the definition of "U.S. person" in Regulation S, there are substantial differences between the two definitions and that persons who are not "U.S. persons" under Regulation S may be "U.S. persons" under the U.S. Risk Retention Rules.

Each purchaser of Securities which constitute Secured Securities, including beneficial interests in such Securities shall be deemed to have made the following representations: that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Securities or a beneficial interest in such Securities for its own account and not with a view to distribute such Securities, or, in the case of a distributor, will only distribute such Securities to a person which is not a Risk Retention U.S. Person, and (3) is not acquiring such Securities or a beneficial interest in such Securities as part of a scheme to evade the requirements of the U.S. Risk Retention Rules.

Notwithstanding the foregoing, the Issuer may sell a limited portion of such Securities to, or for the account or benefit of, Risk Retention U.S. Persons under an exemption from the U.S. Risk Retention Rules.

### **Prohibition of Sales to EEA and UK Retail Investors**

Please note that in relation to EEA states, additional selling restrictions may apply in respect of any specific EEA state, including those set out below in relation to Austria, Belgium, the Czech Republic, France, Republic of Italy, the Netherlands and Poland. Please also note that additional selling restrictions apply in respect of the United Kingdom, as set out below.

### **Prohibition of Sales to EEA Retail Investors**

Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto may not be offered, sold or otherwise made available to any retail investor in the EEA, other than in the jurisdiction(s) for which a key information document is made available, if required pursuant to Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**"). For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or
  - (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

With respect to each Member State of the EEA, offers of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public that Member State may not be made except, offers of such Securities to the public in that Member State and, if required pursuant to the PRIIPs Regulation, in the jurisdiction(s) for which a key information document is made available may be made:

- (a) at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Issuer or any Manager for any such offer; or
- (c) at any time in any other circumstances falling within Article 1(4)4 of the Prospectus Regulation,

provided that no such offer of Securities referred to in paragraphs (a) to (c) above shall require the relevant Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

- (i) the expression an "**offer of Securities to the public**" in relation to any Securities in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities; and
- (ii) "**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended of 14 June 2017.

#### **Prohibition of Sales to UK Retail Investors**

Securities which are the subject of the offering contemplated by the Base Prospectus as completed by the Final Terms in relation thereto may not be offered, sold or otherwise made available to any retail investor in the United Kingdom, other than in the jurisdiction(s) for which a key information document is made available, if required pursuant to Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**") (the "**UK PRIIPs Regulation**"). For the purposes of this provision:

- (a) the expression "retail investor" means a person who is one (or more) of the following:
  - (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
  - (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or
  - (iii) not a qualified investor as defined in Article 2 of the UK Prospectus Regulation; and
- (b) the expression an "**offer**" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities.

Offers of Securities which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in the United Kingdom may not be made, except offers of such Securities to the public in the United Kingdom may be made if a key information document is made available and:

- (a) at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

- (b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Issuer or any Manager for any such offer; or
- (c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Securities referred to in (a) to (c) above shall require the relevant Issuer to publish a prospectus pursuant to section 85 of the FSMA, or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision:

- (i) the expression an "**offer of Securities to the public**" in relation to any Securities means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for the Securities; and
- (ii) "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

### **Australia**

This document and the offer of Securities is only made available in Australia to persons to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). This document is not a prospectus, product disclosure statement or any other form of formal "disclosure document" for the purposes of Australian Law, and is not required to, and does not, contain all the information which would be required in a product disclosure statement or prospectus under Australian law.

This document is only provided on the condition that the information in and accompanying this document is strictly for the use of prospective investors and their advisers only. Neither this document nor any extract or conclusion from this document may be provided to any other person in Australia without the written consent of the Issuer, which it may withhold in its absolute discretion. This document has not been and will not be lodged or registered with the Australian Securities and Investments Commission or the ASX Limited or any other regulatory body or agency in Australia. The persons referred to in this document may not hold Australian Financial Services licences. No cooling off regime applies to an acquisition of the Securities. Under no circumstances is this document to be used by a retail client for the purpose of making a decision about a financial product.

This document contains general advice only and does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making an investment decision in relation to this document, you should assess whether the acquisition of the Securities is appropriate in light of your own financial circumstances or seek professional advice.

An investor may not transfer or offer to transfer Securities to any person located in, or a resident of Australia, unless the person is a person to whom a disclosure document such as a prospectus or product disclosure statement is not required to be given under either Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth). There may be restrictions on the offer for re-sale of any Securities in Australia for a period of 12 months after their issue. Because of these restrictions, investors are advised to consult legal counsel prior to making any offer for re-sale of Securities in Australia.

## **Austria**

No prospectus has been or will be approved by the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde*) and/or published pursuant to the Prospectus Regulation, or has been or will be approved by the competent authority of another EEA member state and published pursuant to the Prospectus Regulation and validly passported to Austria. Neither this Base Prospectus nor any other document connected therewith constitutes a prospectus according to the Prospectus Regulation, and neither this Base Prospectus nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria. No steps may be taken that would constitute a public offering of the Securities in Austria and the offering of the Securities may not be advertised in Austria. Securities will only be offered in Austria in compliance with the provisions of the Prospectus Regulation, the Austrian Capital Market Act 2019 (*Kapitalmarktgesetz 2019*) as amended, and all other laws and regulations in Austria applicable to the offer and sale of the Securities in Austria.

## **Bahrain**

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

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

The Securities cannot be offered to the public in Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

## **Belgium**

With respect to Securities with a maturity of less than 12 months qualifying as money market instruments within the meaning of Regulation (EU) 2017/1129, no action will be taken by the relevant Issuer or any Manager in connection with the issue, sale, transfer, delivery, offering or distribution (or otherwise) of such Securities that would require the publication of a prospectus pursuant to the Belgian law of 11 July 2018 on the offering of investment instruments to the public and the admission of investment instruments to trading on a regulated market.

In the case of Fund Securities, if the relevant underlying funds are not registered in Belgium with the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des Services et Marchés Financiers*) in accordance with the Belgian law of 3 August 2012 on the collective investment undertakings satisfying the conditions set out in Directive 2009/65/EC and undertakings for investment in receivables, as amended or replaced from time to time (the "**UCITS Law**") or the Belgian law of 19 April 2014 on alternative collective investment undertakings and their managers, as amended or replaced from time to time (the "**AIFM Law**"), as applicable, such Fund Securities cannot be offered in Belgium unless (i) Cash Settlement applies or (ii) if the relevant underlying fund is a UCITS within the meaning of Directive 2009/65/EC, such Securities are offered to qualified investors only or to fewer than 150 natural or legal persons (other than qualified investors). The shares and other securities issued by these funds cannot be offered publicly in Belgium.

The Securities shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with Article 4 of the Belgian Law of 14 December 2005.

The offering of Securities may not be advertised to any individual in Belgium qualifying as a consumer within the meaning of Article I.1 of the Belgian Code of Economic Law, as amended from time to time (a "**Belgian Consumer**") and the Securities may not be offered, sold or resold, transferred or delivered, and no prospectus, memorandum, information circular, brochure or any similar documents in relation to the Securities may be distributed, directly or indirectly, to any Belgian Consumer.

### **Czech Republic**

The Base Prospectus has not been and will not be approved by the Czech National Bank.

No action has been taken in the Czech Republic (including obtaining approval of the prospectus from the Czech National Bank and admission to trading on a regulated market (as defined in section 55(1) of the Act of the Czech Republic No. 256/2004 Coll., on Conducting Business in the Capital Market, as amended (the "**Capital Market Act**")) for the purposes of any Securities to qualify as securities admitted to trading on the regulated market in the Czech Republic within the meaning of the Capital Market Act.

All applicable provisions of the Capital Market Act, the Act of the Czech Republic No. 21/1992 Coll., on Banks, as amended, the Act of the Czech Republic No. 240/2013 Coll., on Management Companies and Investment Funds, as amended or any other applicable laws of the Czech Republic in respect of the Securities and its offering in the Czech Republic have been complied with.

### **Dubai International Financial Centre (DIFC)**

The Securities may not be promoted in the DIFC other than in compliance with the restriction on financial promotions by the Dubai Financial Services Authority (the "**DFSA**") and may not be offered or sold in the DIFC other than pursuant to an exempt offer in accordance with the Markets Rules (the "**Rules**") of the DFSA. This Base Prospectus is intended for distribution only to persons of a type specified in those Rules. It must not be delivered to, or relied on, by any other person. The Securities to which this Base Prospectus relates may be illiquid and/or subject to restrictions on their sale. Prospective purchasers of the Securities should conduct their own due diligence on the Securities. The DFSA has no responsibility for reviewing or verifying any document in connection with exempt offers. The DFSA has not approved this Base Prospectus nor taken steps to verify the information set out in it. The DFSA does not accept any responsibility for the content of the information included in this Base Prospectus, including the accuracy or completeness of such information. The liability for the content of this Base Prospectus lies with the relevant Issuer and other persons, such as experts, whose opinions are included in the Base Prospectus with their consent. The DFSA has also not assessed the suitability of the Securities to which this Base Prospectus relates for any particular investor or type of investor. Investors that do not understand the contents of this Base Prospectus or are unsure whether the Securities to which this Base Prospectus relates are suitable for their individual investment objectives and circumstances, should consult an authorised financial advisor.

### **France**

The Issuer has represented and agreed and any Manager of an issue of Securities will be required to represent and agree that it undertakes to comply with applicable French laws and regulations in force regarding the offer, the placement or the sale of the Securities and the distribution in France of the Base Prospectus or any other offering material relating to the Securities.

## Hong Kong

No person:

- (a) has offered or sold or will offer or sell in Hong Kong, by means of any document, any Securities (except for Securities which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (the "**SFO**") other than (i) to "professional investors" as defined in the SFO and any rules made under the SFO; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (b) has issued or had in its possession for the purposes of issue, or will issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Securities, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

## India

Additional provisions for use with Indian underliers

Each holder of Securities and each beneficial owner of Securities represents and warrants, as a condition to purchasing or owning such Securities, that:

- (a) it is not:
  - (i) a "person resident in India" (as such term is defined under the Foreign Exchange Management Act, 1999, as may be amended or supplemented from time to time ("**FEMA**");
  - (ii) a "non-resident Indian" and "overseas citizen of India" (as such terms are defined under the rule 2 of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 under the FEMA, as may be amended or supplemented from time to time); and
  - (iii) registered as Category II foreign portfolio investor with SEBI as per the provisions of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulation, 2019 and/or any other subsidiary regulations or circulars (if any) issued pursuant thereto ("**FPI Regulations 2019**").

Provided conditions mentioned in (a)(i) above and e(i) and e(ii) below will not be applicable for entities incorporated or registered in the international financial services centre (as defined under the clause (q) of section 2 of the Special Economic Zones Act, 2005).

(each a "**Restricted Entity**").

Provided that it shall notify the Issuer immediately, as soon as it becomes Restricted Entity or if it fails to fulfil any of the representations mentioned in (c) and (e) below either consequent to filing of an application with a Designated Depository Participant (as defined under the FPI Regulations 2019) or as a result of a re-categorization (or as a result of any other reason whatsoever) and shall take all steps as may be required by the Issuer, including, if required, to ensure that the Offshore Derivative Instrument ("**ODI**") transaction is terminated immediately and in the manner required by the Issuer.

Provided further that the holder subscribing to the Securities would not result in Restricted Entities/ non Eligible Entities indirectly subscribing to or dealing in ODIs.

Provided further that, in case the holder changes investment managers/advisers/sub-managers/sub-advisers (each, a "**Manager/Adviser Transfer**"), such holder shall issue a written notice to the Issuer in such form as the Issuer may determine thirty (30) business days prior to the Manager/Adviser Transfer.

- (b) each holder is not a person/entity (i) whose control is with a Restricted Entity; or (ii) whose constituents are a Restricted Entity under clause (i) and (ii) of paragraph (a), in breach of Regulation 4 (c)<sup>11</sup> of FPI Regulations, 2019 read with Part A point 1, (ii)<sup>12</sup> of the Master Circular for Foreign Portfolio Investors (FPIs) and Designated Depository Participants (DDPs) and Eligible Foreign Investors (EFIs) issued under the FPI Regulations 2019 (the "**Master Circular**").

For the purposes of this representation, "control" includes the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders agreements or voting agreements or in any other manner.

Notwithstanding the foregoing definition, in the case only where a person's/entity's investments are being managed on a discretionary basis by an investment manager, such investment manager shall not be deemed to be such person's/entity's controller for the purposes of this representation by reason only of it being able to control the decision-making in relation to the person's/entity's financial, investment and/or operating policies.

- (c) it is an Eligible Entity, i.e. an entity which is eligible to get registered as category I foreign portfolio investor<sup>13 14</sup> with SEBI pursuant to the (i) FPI Regulations 2019 for governing the foreign portfolio investors ("**FPI**") and (ii) Master Circular (FPI Regulations 2019 and Master Circular are together referred to as "**Indian FPI Laws**").

<sup>11</sup> Resident Indians, other than individuals, may also be constituents of the FPI, subject to the following conditions:  
(i) such resident Indian, other than an individual, is an eligible fund manager of the FPI, as provided under sub-section (4) of section 9A of the Income Tax Act, 1961 (43 of 1961); and  
(ii) the applicant is an eligible investment fund as provided under sub-section (3) of section 9A of the Income Tax Act, 1961 (43 of 1961) which has been granted approval under the Income Tax Rules, 1962:

Provided further that such resident Indian, other than an individual, may also be constituents of the applicant, subject to the following conditions:

- (i) the applicant is an Alternative Investment Fund set up in the International Financial Services Centres and regulated by the International Financial Services Centres Authority;  
(ii) such resident Indian, other than an individual, is a Sponsor or Manager of the applicant; and  
(iii) the contribution of such resident Indian, other than an individual, shall be up to –  
(a) 2.5% of the corpus of the applicant or US \$ 750,000 (whichever is lower), in case the applicant is a Category I or Category II Alternative Investment Fund; or  
(b) 5% of the corpus of the applicant or US \$ 1.5 million (whichever is lower), in case the applicant is a Category III Alternative Investment Fund;

<sup>12</sup> Pursuant to SEBI Master Circular dated 19 December 2022, the Explanation under Part A-1(ii) of the Master Circular provides that the contribution of Resident Indian individuals shall be made through the Liberalised Remittance Scheme notified by the Reserve Bank of India in global funds whose Indian exposure is less than 50%.

<sup>13</sup> Regulation 21(1)(b) of the FPI Regulations 2019 states that if investment manager is from financial action task force member country, then such investment manager need not be registered as category I foreign portfolio investor.

<sup>14</sup> As per the Regulation 5(a)(iv) of the FPI Regulation 2019 "*Category I foreign portfolio investors*" shall include:  
*"Entities from the Financial Action Task Force member countries or from any country specified by the Central Government by an order or by way of an agreement or treaty with other sovereign Governments, which are-*

- (I) *appropriately regulated funds;*  
(II) *unregulated funds whose investment manager is appropriately regulated and registered as a Category I foreign portfolio investor:*  
*Provided that the investment manager undertakes the responsibility of all the acts of commission or omission of such unregulated fund;*  
(III) *university related endowments of such universities that have been in existence for more than five years."*

In exercise of power conferred under Regulation 5(a)(iv) of the FPI Regulation 2019, the Ministry of Finance has notified Mauritius (*vide* order dated 13 April 2020), United Arab Emirates (*vide* order dated 9 February 2021) and Cyprus (*vide* order dated 14 June 2021) as eligible countries for the purpose of Regulation 5(a)(iv) of the FPI Regulation 2019. As a result of these orders, above mentioned entities from these countries would be eligible to be registered as category I FPIs.



- (d) the purchase or ownership of these Securities or any interest in these Securities has not been entered into with the intent of circumventing or otherwise avoiding any requirements applicable under any laws applicable in India (including, without limitation, the Indian FPI Laws or any restrictions applicable to FPIs in relation to their issuances and/or other dealings in offshore derivative instruments (as such term is defined in the FPI Regulations 2019) with, Restricted Entities and persons/entities who are not Eligible Entities) or laws governing dealing in the securities market, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 and Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, each as amended from time to time, together with any modifications thereto or re-enactments thereof).
- (e) the holder:
- (i) is a resident of a country whose securities market regulator is a signatory to International Organization of Securities Commission's Multilateral Memorandum of Understanding (Appendix A Signatories) or a signatory to bilateral Memorandum of Understanding<sup>15</sup> with the SEBI (except where the Government or Government related investor is resident of the country which has been so approved by the Government of India in this regard);
  - (ii) being a bank, is a resident of a country whose central bank is a member of Bank for International Settlements<sup>16</sup>;
  - (iii) itself or the underlying investors<sup>17</sup> are not mentioned in the Sanctions List notified from time to time by the United Nations Security Council. Further, neither of them are resident in a country identified in the public statement of Financial Action Task Force as (i) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or (ii) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address the deficiencies;
  - (iv) is legally permitted to invest in securities outside the country of its incorporation or establishment or place of business;
  - (v) is authorized by its Memorandum of Association and Articles of Association or equivalent documents or the agreement to transact in ODIs;
  - (vi) is a fit and proper person based on the criteria specified in Schedule II of the Securities and Exchange Board of India (Intermediaries) Regulations, 2008;
  - (vii) has sufficient experience, good track record, is professionally competent, financially sound and has a generally good reputation of fairness and integrity; and
  - (viii) has not been restricted or constrained (including, without limitation, by any authority, regulator or court), from investing in its home country or overseas, or, convicted for any money laundering related offence;

<sup>15</sup> A bilateral Memorandum of Understanding between the SEBI and any authority outside India that provides for information sharing arrangement as specified under clause (ib) of sub-section (2) of Section 11 of the Securities and Exchange Board of India Act, 1992.

<sup>16</sup> If holder is a Central bank then such holder need not be a member of Bank for International Settlements.

<sup>17</sup> investors contributing twenty-five per cent or more in the corpus of the holder or identified on the basis of control.

- (f) it shall promptly pay to the Issuer any applicable fees (including the regulatory fees recoverable by the Issuer (being ODI issuing FPI) from the subscribers of the ODIs issued) as soon as the same is demanded by the Issuer.
- (g) the holder will provide such information and documents (including in relation to any procedures on identification and verification of identity) as may be requested from time to time in relation to the beneficial owners. This requirement may include providing information on the following<sup>18</sup>:
  - (i) in case of companies, a person, who whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 25% of shares or capital or profits of the company, or, exercises control through other means. For the purposes of this representation, "control" shall have the same meaning as set out in clause (a) of sub rule (3) of Rule 9 of the PML Rules<sup>19</sup>;
  - (ii) in case of trusts, beneficiaries with 15% or more interest in the holder;
  - (iii) in case of partnership firms, a person who, whether acting alone or together, or through one or more person, has ownership of/entitlement to more than 15% of capital or profits of the partnership;
  - (iv) in case of unincorporated association or body of individuals, a person who, whether acting alone or together, or through one or more person, has ownership of or entitlement to more than 15% of the property or capital or profits of such association or body of individuals; and
  - (v) in case no material shareholder/beneficial owner is identified applying the above thresholds, the natural person who holds the position of senior managing official of the holder, the investment manager (if controlling the affairs of the holder).
- (h) it shall ensure that aggregate investment by each holder, whether directly in its own name as a FPI or as an ODI subscriber<sup>20</sup>, or as a client of appropriately regulated entities (FPIs) investing on behalf of their clients<sup>21</sup>, or by entities in the "investor group" (as per the meaning given to such term in Regulation 22(3) of the FPI Regulations 2019) to which the holder belongs<sup>22</sup>, in equity shares of each Indian company is below 10% of the total issued capital of the company and the holder shall provide information in this regard to the Issuer, as and when and in such form and manner as may be required.
- (i) the holder has not taken any fresh ODI positions or renewed, extended or rolled over their existing ODI positions in relation to ODIs with derivatives as underlying (except where such underlying derivative positions are permitted to the ODI issuing FPI as per the conditions mentioned under the Part D - 1 of the Master Circular).

<sup>18</sup> Master Circular provides that "In respect of FPIs (other than Category I FPI registered under Regulation 5(a)(i)) coming from "high risk jurisdictions" as identified by intermediary, the intermediaries may apply lower materiality threshold of 10% for identification of BO." Accordingly, for holders coming from high risk jurisdictions lower thresholds may be applicable.

<sup>19</sup> Prevention of Money-laundering (Maintenance of Records) Rules, 2005

<sup>20</sup> Master Circular provides that "*For this purpose, two or more ODI subscribers having common ownership, directly or indirectly, of more than fifty percent or common control shall be considered together as a single ODI subscriber, in the same manner as is being done in the case of FPIs.*"

<sup>21</sup> Part A – 2 (v) of Master Circular provides that "*Investments made by each such client, either directly as FPI and/or through its investor group shall be clubbed with the investments made by such clients (holding more than 50% in the FPI) through the above referenced appropriately regulated FPIs.*"

<sup>22</sup> It is pertinent to note that as per SEBI circular dated 1st October 2020 (read with SEBI circular dated 10th October 2019), Indian depositories are also instructed to club investment by an FPI/group of FPI in depositories receipts with their positions held as an ODI subscriber and investments as an FPI (as against the requirement of only clubbing positions as an ODI subscriber and investments as FPI at group levels as specified under the Indian FPI Laws) while computing the investment limit applicable for FPI/group of FPI. Accordingly, the FPI shall be required to take into consideration holdings in the form of depository receipts (issued after 10th October 2019) while computing investments limit applicable to it to avoid mandatory divestment obligation that may be imposed by Indian depositories.

- (j) the purchase or ownership of these Securities or any interest in these Securities does not violate any applicable laws (including, without limitation, any legislations, rules, regulations, notifications, circulars or guidelines), or, any orders or directives, which may be issued from time to time, including in relation to the eligibility and permissibility of each holder to transact in ODIs.
- (k) these Securities or any interest in these Securities have been purchased (and held) as a principal for the holder's own account and not as an agent, nominee, trustee or representative of any other person/entity and that the holder has not entered into any agreement or arrangement for the issuance of a back-to-back ODI against such Securities;

Each holder of Securities and each beneficial owner of Securities agrees and undertakes that:

- (A) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of these Securities or any interest in these Securities to or for the benefit or account of any Restricted Entity;
- (B) it will not, directly or indirectly, sell, transfer, assign, novate or otherwise dispose of these Securities or any interest in these Securities to or for the benefit or account of any person/entity who is not an Eligible Entity;
- (C) it will obtain prior consent of the Issuer for any transfer, unless the person to whom the transfer is to be made is pre-approved by the Issuer;
- (D) it shall provide all necessary documents (which may include documents relating to the holder or the beneficial owners of the holder) from time to time so as to enable the Issuer to stay compliant with know your client norms and beneficial ownership related compliances under the Indian FPI Laws. Further, such information can be stored by the Issuer for any period of time as Issuer deems fit;
- (E) it consents to the provision by the Issuer to any Indian governmental or regulatory authority ("**Authority**") of any information or any document in its possession regarding the holder or the beneficial owner of the holder and any other information regarding the Securities or holder's interest in the Securities as the Issuer reasonably deems necessary or appropriate in order to comply with the regulations or requests of such Authority from time to time;
- (F) it will, at its option, either:
  - (I) provide to the Issuer such additional information as the Issuer reasonably deems necessary or appropriate in order to comply with regulations or requests of any Authority from time to time (the "**Additional Information**"), or
  - (II) subject to such Authority accepting such direct provision, provide such Additional Information directly to such Authority and confirm to the Issuer that it has done so;
- (G) it agrees that in the event of any non-compliance with, or breach, violation or contravention by the holder of any of the terms set out herein, the Issuer may notify any Authority of any such breach, violation or contravention and exercise any rights and take any measures available to prevent, avoid, mitigate, remedy or cure such non-compliance, breach, violation or contravention;
- (H) it agrees that the Issuer may, to the extent required to comply with applicable laws, regulations, notifications, circulars, rules, guidelines, clarifications, directions, orders and/or decrees issued by a governmental or regulatory authority, by issuing a written notice to the holder, unilaterally modifying the restrictions set out herein after purchase of the Securities and notifying the holder of the same, and such written notice shall be effective and deemed agreed and accepted by the holder when issued;

- (I) it undertakes to ensure that the specific requirements and obligations mentioned in the India side letter are satisfied and complied with; and
- (J) it undertakes to promptly notify the Issuer should any of the warranties, agreements, undertakings and representations set out herein, are breached, change or no longer hold true.

This document has not been and will not be registered as a prospectus either with the Registrar of Companies or with any other regulatory authority in India, and the holder will not circulate or distribute this document or any other offering document or material relating to the Securities to any person in India.

### **Israel**

This Base Prospectus is intended solely for investors listed in the First Addendum of the Israeli Securities Law 5728-1968, as amended from time to time ("**Qualified Investors**" and "**Securities Law**", respectively). A prospectus has not been prepared or filed, and will not be prepared or filed, in Israel relating to the offering of the Securities. In addition, no action will be taken in Israel to permit an offering of the Securities, or the distribution of any offering document or any other material, to the public in Israel. In particular, the Israel Securities Authority ("**ISA**") has not reviewed or approved any offering document or other material relating to the Securities. The Securities may not be resold in Israel, other than to Qualified Investors in a manner that does not require the publication of a prospectus in Israel pursuant to the Securities Law and the guidance published by the ISA.

The Securities are being offered or sold to you based on your declaration that you meet the conditions to be deemed a Qualified Investor, that you understand the implications of such a classification; and that you agree to be deemed a Qualified Investor. Any material provided to an offeree may not be reproduced or used for any other purpose, nor furnished to any other person, other than those to whom copies have been provided directly.

This Base Prospectus, and any offering document or other material relating to the Securities are being provided for information only. They should not be considered as the rendering of a recommendation or advice, and they do not constitute "investment advice" or "investment marketing" under the Regulation of Investment Advice, Investment Marketing and Investment Portfolio Management, 5755-1995. The purchase of the Securities will be based on the investor's own understanding, for the investor's own benefit, and for the investor's own account, and not with the aim or intention of distributing or offering to other parties.

### **Japan**

No Securities of any series have been or will be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**") and Securities may not be offered or sold directly or indirectly in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act of Japan (Act No. 228 of 1949, as amended) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Republic of Korea**

The Securities have not been and will not be registered with the Financial Services Commission of the Republic of Korea for public offering in the Republic of Korea under the Financial Investment Services and Capital Markets Act (the "**FSCMA**"). The Securities may not be offered, sold or delivered, directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in the Republic of Korea or to any resident of the Republic of Korea except pursuant to the applicable laws and regulations of the Republic of Korea, including the FSCMA and the Foreign Exchange Transaction Law (the "**FETL**") and the decrees and regulations thereunder. The Securities may not be resold to residents of the Republic of Korea unless the purchaser of the Securities

complies with all applicable regulatory requirements (including but not limited to government reporting requirements under the FETL and its subordinate decrees and regulations) in connection with the purchase of the Securities.

## Republic of Italy

The offering of the Securities has not been registered pursuant to Italian securities legislation and, accordingly, no Securities may be offered, sold or delivered, nor may copies of the Base Prospectus (including the applicable Final Terms) or of any other document relating to the Securities be distributed in the Republic of Italy, except:

- (a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017, as amended from time to time (the "**Prospectus Regulation**"), and any applicable provisions of Italian laws and regulations; or
- (b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"), and the applicable Italian laws and regulations.

Any offer, sale or delivery of the Securities or distribution of copies of the Base Prospectus (including the applicable Final Terms) or any other document relating to the Securities in the Republic of Italy under (a) or (b) above must:

- (i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**"), CONSOB Regulation No. 20307 of 15 February 2018 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and
- (ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

*Please note that in accordance with Article 100-bis of the Financial Services Act, to the extent it is applicable, where no exemption from the rules on public offerings applies, Securities which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are systematically ("*sistematicamente*") distributed on the secondary market in Italy become subject to the public offer and the prospectus requirement rules provided under the Prospectus Regulation, the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of such Securities being declared null and void and in the liability of the intermediary transferring the financial instruments for any damages suffered by the investors.*

## Netherlands

Zero coupon Certificates in definitive bearer form on which interest does not become due and payable during their term but only at maturity (that qualify as savings certificates or *spaarbewijzen* as defined in the Dutch Savings Certificates Act or *Wet inzake spaarbewijzen*; the "**SCA**") may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either the Issuer or a member of Euronext Amsterdam N.V. with due observance of the provisions of the SCA and its implementing regulations (which include registration requirements). No such mediation is required, however, in respect of (i) the initial issue of such Certificates to the first holders thereof, (ii) the transfer and acceptance by individuals who do not act in the conduct of a profession or business, and (iii) the issue and trading of such Certificates if they are physically issued outside the Netherlands and are not immediately thereafter distributed in the Netherlands.

## **The People's Republic of China**

The Securities may not be offered, sold or delivered, or offered or sold or delivered to any person for reoffering or resale or redelivery, in any such case directly or indirectly, in the People's Republic of China (excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan) (the "**PRC**"), or to residents of the PRC, unless such offer or sale is made in compliance with all applicable laws and regulations of the PRC.

## **Poland**

No permit has been obtained from the Polish Financial Supervisory Authority (the "**Polish FSA**") in relation to the issue of any Securities or approval of the Base Prospectus. Securities cannot be offered or sold in the Republic of Poland ("**Poland**") by way of a Public Offer (as defined below), unless it is done in compliance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), the Act on Public Offering and on the Conditions Governing the Introduction of Financial Instruments to an Organised Trading System and Public Companies dated 29 July 2005 (as amended) and any other applicable laws and regulations enacted under these acts or in substitution thereof from time to time. Under the Prospectus Regulation, an 'offer of securities to the public' means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities ("**Public Offering**").

The conduct of a Public Offering of Securities in Poland as well as subscription or sale relating to such Public Offering requires an intermediation of a licenced investment firm, subject to certain exceptions applicable to Public Offerings which are exempted from the prospectus obligation. In addition, the sale to or acquisition and holding of the Securities by residents of Poland may be subject to additional requirements and restrictions imposed by Polish law, beyond the restrictions and requirements provided by generally applicable provisions of European Union law, including under foreign exchange regulations.

## **Saudi Arabia**

This Base Prospectus cannot be distributed in the Kingdom of Saudi Arabia (the "**KSA**") except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority in the KSA. The Capital Market Authority does not make any representation as to the accuracy or completeness of this Base Prospectus, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Prospectus. Prospective purchasers of the Securities should conduct their own due diligence on the accuracy of the information relating to the Securities. If you do not understand the contents of this Base Prospectus, you should consult an authorised financial advisor.

## **Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Base Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Securities may not be circulated or distributed, nor may the Securities be offered or sold or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1A) of the SFA and in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:

- (1) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(c)(ii) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 276(7) of the SFA; or
- (5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

### **Socialist Republic of Vietnam**

These Warrants or Certificates may not be offered or sold directly or indirectly in the Socialist Republic of Vietnam ("**Vietnam**") or to, or for the benefit of, any resident in Vietnam (which term as used herein shall mean (a) any person resident in Vietnam, including any corporation or other entity organised under the laws of Vietnam (a "**Vietnamese Entity**")), or (b) any Vietnamese citizen residing abroad or any Vietnamese Entity acting through a representative office or a branch established in any other country except to Vietnamese Entities who are permitted or approved by competent authorities to purchase these Warrants or Certificates according to Vietnamese law. Unless permitted under the securities laws of Vietnam, no advertisement, invitation or document relating to the Warrants or Certificates will be issued in Vietnam or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, any person in Vietnam.

Modifications to Qualified Investor definition to be added at the definitions level:

"**Qualified Investor**" means, where the Relevant Jurisdiction is Republic of Korea, Taiwan, India, People's Republic of China or Socialist Republic of Vietnam, a Korean Investor ID Holder, a Taiwan FINI, an Indian FII, a Chinese QFII and a Vietnamese QI, respectively;

"**Vietnamese QI**" means a corporation that both (a) incorporated outside the Socialist Republic of Vietnam and (b) does not have any permanent establishment in the Socialist Republic of Vietnam.

### **Switzerland**

The Securities constitute structured products within the meaning of FinSA. The Securities and any Final Terms and marketing material in relation thereto may only be offered, directly or indirectly, in Switzerland in accordance with FinSA. None of the Securities constitute a participation in a collective investment scheme within the meaning of the CISA and are neither subject to the authorisation nor the supervision by the FINMA and investors do not

benefit from the specific investor protection provided under the CISA. Investors are exposed to the default risk of the Issuer and the Guarantor (if applicable).

If the Securities will be publicly offered, directly or indirectly, in Switzerland within the meaning of FinSA, or if the Securities are admitted to trading on SIX Swiss Exchange or another Swiss trading venue as such term is used in the FMIA, the applicable Final Terms must be registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA. Furthermore, the Securities may only be offered to Retail Clients in Switzerland if a FinSA-KID or a key information document pursuant to the PRIIPs Regulation has been prepared and provided to the relevant Retail Client. If the Securities may only be offered to Retail Clients in the context of asset management mandates, such obligation to provide a FinSA-KID, a PRIIPs-KID or a Swiss Simplified Prospectus would not apply.

Securities in respect of which the Final Terms which have not been registered with SIX Exchange Regulation in its capacity as Swiss Prospectus Office pursuant to FinSA may only be offered, sold or advertised, directly or indirectly, in Switzerland if the Securities (a) are addressed solely to Professional or Institutional Clients; (b) are addressed to fewer than 500 Retail Clients; (c) are addressed to investors acquiring securities with a value of at least CHF 100,000; (d) have a minimum denomination per unit of CHF 100,000; or (e) do not exceed a total value of CHF 8 million over a 12-month period.

Professional or Institutional Clients include: (a) financial intermediaries regulated pursuant to the Swiss Federal Banking Act of 8 November 1934, the Swiss Federal Financial Institutions Act of 15 June 2018 or CISA; (b) regulated insurance undertakings pursuant to the Swiss Federal Insurance Supervision Act of 17 December 2004; (c) foreign financial intermediaries or insurance undertakings subject to a similar prudential supervision as the financial intermediaries or insurance undertakings pursuant to (a) and (b); (d) central banks; (e) public entities with professional treasury operations; (f) pension funds and occupational pension schemes with professional treasury operations; (g) undertakings with professional treasury operations; (h) large companies that exceed two of the following thresholds: (i) a balance sheet total of CHF 20 million, (ii) turnover of CHF 40 million, and/or (iii) own capital of CHF 2 million; (i) private investment structures for high-net worth individuals with professional treasury operations; and (j) Opting-out Clients.

An "**Opting-out Client**" (*vermögende Privatkundinnen und -kunden*) is a Retail Client who confirms (i) that, based on the education/professional experience or based on comparable experience in the financial sector, they have the necessary knowledge to understand the risks resulting from an investment in the Securities and who owns, directly or indirectly, eligible financial assets of at least CHF 500,000, or (ii) that they own, directly or indirectly, eligible financial assets worth at least CHF 2 million.

## **Taiwan**

The Securities have not been and will not be registered or filed with, or approved by, the Financial Supervisory Commission of Taiwan and/or other regulatory authorities or agencies of Taiwan pursuant to relevant securities laws and regulations of Taiwan and may not be issued, offered or sold within Taiwan through a public offering or in circumstances which constitute an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration, filing or approval of the Financial Supervisory Commission of Taiwan and/or other regulatory authorities or agencies of Taiwan. No person or entity in Taiwan has been authorised to offer or sell the Securities in Taiwan. The Securities may be made available outside Taiwan for purchase outside Taiwan by Taiwan resident investors, but may not be offered or sold in Taiwan unless the Securities offered or sold to investors in Taiwan are through Taiwan licensed financial institutions to the extent permitted under relevant Taiwan laws or regulations, such as the Directions for Offshore Banking Branches Conducting Securities Businesses.



## **Thailand**

This Base Prospectus has not been approved by or filed with the Securities and Exchange Commission or any other regulatory authority of the Kingdom of Thailand. Accordingly, the Securities may not be offered or sold, and neither this Base Prospectus nor any other documents relating to the offer of the Securities may be distributed, directly or indirectly, to any person in Thailand except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the Thai government and regulatory authorities in effect at the relevant time.

## **United Arab Emirates (excluding the DIFC and the Abu Dhabi Global Market)**

By receiving this Base Prospectus, the person or entity to whom it has been issued understands, acknowledges and agrees that the offering of Securities has not been approved or authorised by the United Arab Emirates (the "UAE") Central Bank, the UAE Securities and Commodities Authority (the "SCA"), or any other relevant licensing authorities in the UAE, and accordingly does not constitute a public offer of securities in the UAE in accordance with the commercial companies law (UAE Federal Decree Law No. 32 of 2021) or otherwise.

In addition, each Issuer represents and agrees that the Securities have not been and are not being, publicly offered, sold, promoted or advertised in the UAE other than in compliance with the laws of the UAE governing the issue, offering and sale of securities. Further, each Issuer procures that any manager of an issue of Securities represents and agrees that the Securities have not been and will not be publicly offered, sold, promoted or advertised by it in the UAE other than in compliance with any laws applicable in the UAE governing the issue, offering and sale of securities.

This Base Prospectus is strictly private and confidential and is being issued to a limited number of investors in the UAE: (i) who qualify as "professional investors" for the purpose of the SCA Decision No. (13/R.M) of 2021 on the rules handbook of financial activities and mechanisms of status regularisation, as amended (the "**SCA Rulebook**"), or "counterparties" for the purpose of the SCA Rulebook, or (ii) in the case of any other investors, only on the basis of a reverse inquiry, upon their request only and in accordance with the SCA Rulebook; and in each case (A) upon their confirmation that they understand that the Securities have not been approved or licensed by or registered with the UAE Central Bank, the SCA, or any other relevant licensing authorities or governmental agencies in the UAE; and (B) on the express condition that they do not provide this Base Prospectus to any person other than the original recipient who may not reproduce or use this Base Prospectus for any other purpose.

Investors that do not understand the contents of this Base Prospectus or are unsure whether the Securities to which this Base Prospectus relates are suitable for their individual investment objectives and circumstances, should consult an authorised financial advisor.

## **United Kingdom**

Securities issued by BNPP B.V. which have a maturity of less than one year will not be offered or sold other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Securities would otherwise constitute a contravention of Section 19 of the Financial Services and Markets Act 2000 (the "**FSMA**") by BNPP B.V..

An invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Securities may only be communicated to and will only be communicated to (and the relevant Issuer or distributor may only cause to be communicated and will only cause to be communicated) in circumstances in which Section 21(1) of the FSMA does not or, in the case of BNPP, would not, if it was not an authorised person, apply to the relevant Issuer or the Guarantor.

All applicable provisions of the FSMA must be complied with in respect of anything done by any purchaser in relation to any Securities issued in, from or otherwise involving the United Kingdom.

**General**

With regard to each issue of Securities, the relevant Manager(s) will be required to comply with such other additional restrictions as shall be set out in the applicable Final Terms.

## GENERAL INFORMATION

### 1. Authorisation

The establishment of the Programme was approved by resolutions of the Board of Directors of BNPP B.V. dated 30 May 2013. The update of the Programme and the issue of Securities under the Programme were approved by resolutions of the Board of Directors of BNPP B.V. dated 21 April 2023. No authorisation procedures are required of BNPP by French law for the update of the Programme or the giving of the Guarantees. The issue of Certificates issued by BNPP under the Programme is authorised pursuant to the Board resolution dated 22 February 2023.

### 2. Approval by the Luxembourg Stock Exchange for listing on Euro MTF Market

Application has been made in accordance with the ROI for the approval of this Base Prospectus and application has also been made to the Luxembourg Stock Exchange for Securities issued under the Programme to be admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange (the Euro MTF Market is not a regulated market pursuant to the provisions of the Directive 2014/65/EU but is subject to supervision by the CSSF), and listed on the Official List of the Luxembourg Stock Exchange. Application may be made to list Securities on other stock exchanges as set out in the applicable Final Terms and, if relevant, the applicable Final Terms will include information on the relevant Market segment of the stock exchange on which the securities are to be listed.

### 3. Documents Available

From the date hereof and so long as Securities are capable of being issued under the Programme, copies of the following documents will, when published, be available, free of charge, at the specified office for the time being in Luxembourg of BNP Paribas, Succursale de Luxembourg and at the specified office for the time being in Paris of BNP Paribas Arbitrage S.N.C.:

- (i) copies of the constitutional documents of BNP Paribas Issuance B.V. (being as of the date of hereof, its articles of association dated 25 July 2018) and of BNP Paribas (being as of the date hereof, its *Statuts* dated 16 May 2023);
- (ii) the audited annual non-consolidated financial statements of BNPP B.V. for the years ended 31 December 2021 and 31 December 2022 (BNPP B.V. does not produce consolidated annual reports);
- (iii) the audited annual consolidated financial statements of BNPP for the years ended 31 December 2021 and 31 December 2022;
- (iv) the most recently published audited annual consolidated financial statements and unaudited semi-annual consolidated financial statements and quarterly results of BNPP;
- (v) the most recently published unaudited semi-annual non-consolidated financial statements of BNPP B.V. (BNPP B.V. does not produce consolidated semi-annual reports);
- (vi) copies of the Guarantees;
- (vii) the Agency Agreement (which contains the forms of the English Law Global Securities) and a Spanish agency agreement between BNPP B.V., BNP Paribas Securities Services S.A. and BNP Paribas Securities Services, Branch in Spain dated 28 June 2013;
- (viii) this Base Prospectus;

(ix) the BNPP 2021 Universal Registration Document (in English);

(x) the BNPP 2022 Universal Registration Document (in English);

In the case of (iii), (iv), (ix) and (x) above, the documents are also available on BNPP's website: <http://invest.bnppparibas.com>.

#### **4. Material Adverse Change**

Except as disclosed in this Base Prospectus (including the documents incorporated by reference herein), there has been no material adverse change in the prospects of BNPP or the Group since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published).

There has been no material adverse change in the prospects of BNPP B.V. since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published).

#### **5. Legal and Arbitration Proceedings**

Save as disclosed on pages 273 and 274 of the BNPP 2022 Universal Registration Document (in English), and pages 84 and 85 of the First Amendment to the BNPP 2022 Universal Registration Document (in English), there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP is aware), during the period covering the twelve (12) months prior to the date of this Base Prospectus which may have, or have had in the recent past, significant effects on BNPP's and/or the Group's financial position or profitability.

There have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BNPP B.V. is aware) during a period covering the 12 months prior to the date of this Base Prospectus which may have, or have had in the recent past significant effects on BNPP B.V.'s financial position or profitability.

#### **6. Significant Change**

There has been no significant change in the financial performance or position of BNPP or the Group since 31 March 2023 (being the end of the last financial period for which interim financial statements have been published).

There has been no significant change in the financial performance or position of BNPP B.V. since 31 December 2022 (being the end of the last financial period for which audited financial statements have been published).

#### **7. Material Contracts**

Neither BNPP B.V. nor BNPP has entered into contracts outside the ordinary course of its respective business, which could result in the relevant Issuer being under an obligation or entitlement that is material to such Issuer's ability to meet its obligation to holders of Securities in respect of the Securities being issued.

#### **8. Third Party Information**

Information contained in this Base Prospectus which is sourced from a third party has been accurately reproduced and, as far as the relevant Issuer is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The relevant Issuer has also identified the source(s) of such information.

## **9. Board of Directors**

The members of the Board of Directors of BNPP are displayed on pages 35 to 48 of the BNPP 2022 Universal Registration Document (in English) relating to BNPP which is incorporated by reference herein. The members of the executive committee of BNPP are either domiciled at 3 rue d'Antin, 75002 Paris, France or at the location of their core businesses within the BNP Paribas Group.

The "*Description of BNP Paribas Issuance B.V.*" above includes details of the Management Board of BNPP B.V.

## **10. Conflicts of Interests**

To the knowledge of BNPP, the duties owed by the members of the Board of Directors of BNPP do not give rise to any potential conflicts of interests with such members' private interests or other duties.

The Management Board of BNPP B.V. does not have potential conflicts of interests, material to the issue of Securities, between any duties to BNPP B.V. and its interests or other duties.

## **11. Statutory Auditors**

### *BNPP*

The statutory auditors ("*Commissaires aux comptes*") of BNPP are currently the following:

Deloitte & Associés was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2006.

Deloitte & Associés is represented by Laurence Dubois.

### *Deputy:*

BEAS, 6 place de la Pyramide, 92908 Paris - La Défense Cedex, France, SIREN No. 315 172 445, Nanterre trade and companies register.

PricewaterhouseCoopers Audit was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 26 May 1994.

PricewaterhouseCoopers Audit is represented by Patrice Morot.

### *Deputy:*

Jean-Baptiste Deschryver, 63, Rue de Villiers, Neuilly-sur-Seine (92), France.

Mazars was appointed as Statutory Auditor at the Annual General Meeting of 24 May 2018 for a six-year period expiring at the close of the Annual General Meeting called in 2024 to approve the financial statements for the year ending 31 December 2023. The firm was first appointed at the Annual General Meeting of 23 May 2000.

Mazars is represented by Virginie Chauvin.

### *Deputy:*

Charles de Boisriou, 28 rue Fernand Forest, 92150 Suresnes (92), France.

Deloitte & Associés, PricewaterhouseCoopers Audit, and Mazars are registered as Statutory Auditors with the Versailles Regional Association of Statutory Auditors, under the authority of the French National Accounting Oversight Board (*Haut Conseil du Commissariat aux Comptes*).

*BNPP B.V.*

In June 2012 Mazars Accountants N.V. was appointed as the auditor of BNPP B.V. Mazars Accountants N.V. is an independent public accountancy firm in The Netherlands registered with the NBA (*Nederlandse Beroepsorganisatie van Accountants – The Royal Netherlands Institute of Chartered Accountants*).

Mazars Accountants N.V. is registered with the trade register of the Dutch Chamber of Commerce with number 24402415.

In June 2022 Deloitte Accountants B.V. was appointed and replaced Mazars Accountants N.V. as the auditor of BNPP B.V. Deloitte Accountants B.V. is an independent public accountancy firm in The Netherlands registered with the NBA (*Nederlandse Beroepsorganisatie van Accountants – The Royal Netherlands Institute of Chartered Accountants*). Deloitte Accountants B.V. replaced Mazars Accountants N.V. since the mandate of Mazars Accountants N.V. has expired.

Deloitte Accountants B.V. is registered with the trade register of the Dutch Chamber of Commerce with number 24362853.

The financial statements of BNPP B.V. for the year ending 31 December 2021 have been audited without qualification by Mazars Accountants N.V.

The financial statements of BNPP B.V. for the year ending 31 December 2022 have been audited without qualification by Deloitte Accountants B.V.

## **12. Clearing Systems**

The English Law Securities represented by a Global Security have been accepted for clearance through Clearstream, Luxembourg, Euroclear and Monte Titoli. The appropriate CUSIP, common code, ISIN and other relevant code for each issue of English Law Securities represented by a Global Security allocated by DTC, Clearstream, Luxembourg, Euroclear and Monte Titoli will be specified in the applicable Final Terms.

The French Law Securities shall be accepted for clearance through Euroclear France, Euroclear Netherlands, Euroclear and/or Clearstream, Luxembourg.

Swedish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Sweden System.

Finnish Dematerialised Securities will be accepted for clearing and registration in the Euroclear Finland System.

Italian Dematerialised Securities will be accepted for clearance in Monte Titoli.

If the Securities of any series are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Clearstream, Luxembourg is 42 avenue JF Kennedy, L-1855 Luxembourg.

The address of Euroclear Bank is 1 Boulevard du Roi Albert II B-1210 Brussels.

The address of Euroclear France is 66 rue de la Victoire, 75009 Paris, France.

The address of Euroclear Finland is Urho Kekkosen katu 5C, PO Box 1110, 00101 Helsinki, Finland.

The address of Euroclear Netherlands is Herengracht 459-469, 1017 BS Amsterdam

The address of Euroclear Sweden is Box 7822, SE-103 97 Stockholm.

The address of Monte Titoli is Piazza degli Affari, 6, 20123 Milano.

### 13. Capitalization and Medium and Long Term Debt Indebtedness over one year of BNPP and the BNP Paribas Group

The following table sets forth the consolidated capitalization and medium to long term indebtedness (i.e. of which the unexpired term to maturity is more than one year) of the Group as of 31 March 2023 using the Group's accounting method, and 31 December 2022 using the Group's prudential scope.

<i>(in millions of euros)</i>	<b><u>As of</u> <u>31 March 2023</u> <u>prudential</u></b>	<b><u>As of</u> <u>31 December 2022</u> <u>prudential</u></b>
<b>Medium- and Long-Term Debt (of which the unexpired term to maturity is more than one year)<sup>1</sup></b>		
<i>Senior preferred debt at fair value through profit or loss</i>	48,141	40,555
<i>Senior preferred debt at amortised cost.....</i>	20,315	25,241
<b>Total Senior Preferred Debt.....</b>	<b>68,456</b>	<b>65,796</b>
<i>Senior non preferred debt at fair value through profit or loss.....</i>	3,876	3,933
<i>Senior non preferred debt at amortised cost.....</i>	61,720	62,536
<b>Total Senior Non Preferred Debt.....</b>	<b>65,596</b>	<b>66,469</b>
 <i>Redeemable subordinated debt at amortised cost.....</i>	 21,253	 21,444
<i>Undated subordinated notes at amortised cost<sup>2</sup>.....</i>	506	494
<i>Undated participating subordinated notes at amortised cost<sup>3</sup>.....</i>	225	225
<i>Redeemable subordinated debt at fair value through profit or loss .....</i>	16	25
<i>Perpetual subordinated debt at fair value through profit or loss<sup>4</sup>.....</i>	656	906
<i>Preferred shares and equivalent instruments<sup>5</sup>.....</i>	13,471	9,207
<b>Total Subordinated Debt .....</b>	<b>36,127</b>	<b>32,301</b>
 <i>Issued capital<sup>6</sup>.....</i>	 2,469	 2,469
<i>Additional paid-in capital .....</i>	23,911	23,878
<i>Retained earnings .....</i>	87,740	77,587
<i>Unrealized or deferred gains and losses attributable to shareholders .....</i>	-9,199	216

<b>Total Shareholders' Equity and Equivalents (net of proposed dividends) .....</b>	<b>104, 921</b>	<b>104, 150</b>
Minority Interests (net of proposed dividends) <sup>(5)</sup> .....	4, 472	4, 234
<b>Total Capitalization and Medium Long Term Debt</b>		
<b>Indebtedness .....</b>	<b>279, 572</b>	<b>272, 950</b>

- (1) All medium- and long-term senior preferred debt of BNPP ranks equally with deposits and senior to the new category of senior non preferred debt first issued by BNPP in January 2017. The subordinated debt of BNPP is subordinated to all of its senior debt (including both senior preferred and senior non preferred debt). BNPP and its subsidiaries issue medium- to long-term debt on a continuous basis, particularly through offers to the public exempted from the obligation to publish a prospectus (ex private placements) in France and abroad.

Euro against foreign currency as at 31 December 2021, CAD = 1.439, GBP = 0.841, CHF = 1.038, HKD = 8.875, JPY = 131.009, USD = 1.138.

Euro against foreign currency as at 31 December 2022, CAD = 1.448, GBP = 0.887, CHF = 0.989, HKD = 8.343, JPY = 140.158, USD = 1.1.

Euro against foreign currency as at 31 March 2023 CAD = 1.469, GBP = 0.880, CHF = 0.992, HKD = 8.522, JPY = 144.047, USD = 1.086.

- (2) At 31 March 2023, the remaining subordinated debt included €506 million of undated floating-rate subordinated notes ("TSDIs").
- (3) Undated participating subordinated notes issued by BNP SA in July 1984 for a total amount of €337 million are redeemable only in the event of the liquidation of BNPP, but may be redeemed in accordance with the terms specified in the French law of 3 January 1983. The number of notes outstanding as at 31 March 2023 was 1,434,092 amounting to approximately €219 million. Payment of interest is obligatory, but the Board of Directors may postpone interest payments if the Ordinary General Meeting of shareholders held to approve the financial statements notes that there is no income available for distribution. Additionally, as at 31 March 2023, there were 28,689 undated participating subordinated notes issued by Fortis Banque France (amounting to approximately €4 million) and 6,773 undated participating subordinated notes issued by Banque de Bretagne (amounting to approximately €2 million) outstanding; both entities have since been merged into BNPP.
- (4) Subordinated debt corresponds to an issue of Convertible And Subordinated Hybrid Equity-linked Securities ("CASHES") made by Fortis Bank SA/NV (now acting in Belgium under the commercial name BNP Paribas Fortis) in December 2007, for an initial nominal amount of €3 billion, which has now been reduced to an outstanding nominal amount of €832 million corresponding to a market value of €656 million at 31 March 2023. They bear interest at a floating rate equal to three-month EURIBOR plus a margin equal to 2% paid quarterly in arrears. The CASHES are undated but may be exchanged for Ageas (previously Fortis SA/NV) shares at the holder's sole discretion at a price per Ageas share of €239.40. However, as of 19 December 2014, the CASHES are subject to automatic exchange into Ageas shares if the price of Ageas shares is equal to or higher than €359.10 for twenty consecutive trading days. The principal amount will never be redeemed in cash. The rights of CASHES holders are limited to the Ageas shares held by BNP Paribas Fortis and pledged to them.

Ageas and BNP Paribas Fortis have entered into a Relative Performance Note ("RPN") contract, the value of which varies contractually so as to offset the impact on BNP Paribas Fortis of the



relative difference between changes in the value of the CASHES and changes in the value of the Ageas shares.

On 7 May 2015, BNPP and Ageas reached an agreement which allows BNPP to purchase outstanding CASHES subject to the condition that these are converted into Ageas shares, leading to a proportional settlement of the RPN. The agreement between Ageas and BNPP expired on 31 December 2016 and has not been renewed.

On 24 July 2015, BNPP obtained a prior agreement from the European Central Bank permitting it to purchase outstanding CASHES up to a nominal amount of €200 million. In 2016, BNPP used such agreement to purchase €164 million outstanding CASHES, converted into Ageas shares.

On 8 July 2016, BNPP obtained a new agreement from the European Central Bank which superseded the prior agreement permitting it to purchase outstanding CASHES up to a nominal amount of €200 million. BNPP requested the cancellation of this agreement from the European Central Bank and the European Central Bank approved such cancellation in August 2017.

Since 1 January 2022, the subordinated liability is no longer eligible to Tier 1 capital (considering both the transitional period, from the 1 January 2013 to 1 January 2022, and the cancellation of the aforementioned agreement).

- <sup>(5)</sup> Consists of numerous issuances by BNPP in various currencies (i) over the 2005-2009 period, of undated deeply subordinated non-cumulative notes and (ii) since 2015, of perpetual fixed rate resettable additional tier 1 notes. The details of the debt instruments recognized as capital, as well as their characteristics, as required by Implementing Regulation No. 1423/2013, are available in the BNP Paribas Debt section of BNPP's investor relations website at [www.invest.bnpparibas.com](http://www.invest.bnpparibas.com).
- <sup>(6)</sup> At 31 March 2023, BNPP's share capital stood at €2,468,663,292 divided into 1,234,331,646 shares with a par value of €2 each.

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**Printed by Allen & Overy LLP**