

SUMMARY AND SECURITIES NOTE



Credit Suisse AG

Up to EUR 50,000,000 9 Year Notes with Interest Amounts linked to the DNCA Invest – Eurose Fund, due August 2023

(the "Notes" or the "Securities")

Series SPLB2014-296

Issue Price: 102 per cent. (102%) of the Aggregate Nominal Amount

(ISIN: XS1040356476)

Summary and Securities Note

This document comprises two parts:

- Part One is a summary of the Registration Document and Securities Note (the "**Summary**"); and
- Part Two is a securities note (the "**Securities Note**").

The Summary and Securities Note contain information relating to the above Securities.

Registration Document

The Summary and Securities Note shall be read in conjunction with the registration document dated 16 May 2014 and the supplement to the registration document dated 22 May 2014 (the registration document dated 16 May 2014 as so supplemented, the "**Registration Document**") containing information in respect of Credit Suisse AG, acting through its London Branch (the "**Issuer**").

Together, the Registration Document, the Summary and the Securities Note constitute a "prospectus" (the "**Prospectus**") for the Securities, prepared for the purposes of Article 5.3 of Directive 2003/71/EC as amended by Directive 2010/73/EU (the "**Prospectus Directive**"). The Prospectus will be published on the website of the Luxembourg Stock Exchange www.bourse.lu.

Underlying Asset

The Interest Amounts payable under the Securities are linked to the performance of the DNCA Invest – Eurose Fund. The Final Redemption Amount of the Securities is not linked to the performance of an underlying asset.

Risk Factors

Before purchasing Securities, you should consider, in particular, "Risk Factors" below and the "Risk Factors" in the Registration Document.

17 June 2014

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IMPORTANT NOTICES

Responsibility statement

The Issuer accepts responsibility for the information contained in this document. To the best of the knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

The delivery of this document at any time does not imply that any information contained herein is correct at any time subsequent to the date hereof.

Approval and passporting for the purposes of the Prospectus Directive

This Summary and Securities Note accompanied by the Registration Document has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority under the Prospectus Directive. The CSSF only approves this Summary and Securities Note accompanied by the Registration Document as meeting the requirements imposed under Luxembourg and EU law pursuant to the Prospectus Directive. The CSSF gives no undertaking as to the economic and financial soundness of the Securities and quality or solvency of the Issuer in accordance with article 7 (7) of the Luxembourg Law on prospectuses for securities.

The Issuer has requested the CSSF to provide the competent authority for the purposes of the Prospectus Directive in Belgium with a certificate of approval in accordance with Article 18 of the Prospectus Directive attesting that this document has been drawn up in accordance with the Prospectus Directive.

This Summary and Securities Note will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

No Investment Advice

Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this document and the "Risk Factors" described in the Registration Document. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as an investor's financial adviser or fiduciary in any transaction. The purchase of Securities involves substantial risks and an investment in Securities is only suitable for investors who (either alone or in conjunction with an appropriate financial adviser) fully evaluate the risks and merits of such an investment in the Securities and who have sufficient resources to be able to bear any losses that may result therefrom. Therefore, before making an investment decision, prospective investors of Securities should ensure that they understand the nature of the Securities and the extent of their exposure to risks and consider carefully, in the light of their own financial circumstances, financial condition and investment objectives, all the information set forth in this document. This document cannot disclose whether the Securities are a suitable investment in relation to any investor's particular circumstances; therefore investors may wish to consult their own financial, tax, legal or other advisers as they consider appropriate and carefully review and consider such an investment decision in the light of the information set forth in this document.

Listing

Application has been made to the Luxembourg Stock Exchange for the Securities to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of

the Luxembourg Stock Exchange. No assurances can be given that such application for listing and admission to trading will be granted.

Interest Amounts are contingent on the performance of the Asset

The Interest Amounts (which may be zero) payable under the Securities are contingent amounts that will depend on the value of the Asset on each of the specified Observation Dates and a participation factor that adjusts downwards over time. The reduction in the participation factor will mean that an investor will have less exposure to any positive performance of the Asset on each successive Observation Date and may therefore receive lower Interest Amounts (if any). As a comparison is made between the value of the Asset on the relevant Observation Date and the value of the Asset on the Initial Valuation Date, investors will only participate in the positive return of the Asset on the relevant Observation Date that is greater than the Asset's value on the Initial Valuation Date.

The formula used to calculate the Interest Amount payable in respect of a Security may be summarised as the product of (i) the Specified Denomination, (ii) the Participation and (iii) the ratio of (a) the positive performance of the Asset from the Initial Valuation Date to the relevant Observation Date, to (b) the number of years from the Initial Valuation Date to the relevant Observation Date (being the "N(t)").

If the Official Net Asset Value of the Asset on an Observation Date is:

- (i) greater than the Official Net Asset Value of the Asset on the Initial Valuation Date, then an Interest Amount will be payable on the immediately following Interest Payment Date. If an Interest Amount is payable, the value of such Interest Amount is a function of (a) the number of years from the Initial Valuation Date to the relevant Observation Date (i.e., the N(t)) (and the value of such Interest Amount is reduced in proportion to such period) and (b) the amount by which the Official Net Asset Value of the Asset on such Observation Date exceeds the Official Net Asset Value of the Asset on the Initial Valuation Date (not the amount by which the Official Net Asset Value of the Asset on such Observation Date exceeds the Official Net Asset Value of the Asset on the immediately preceding Observation Date). The higher the Official Net Asset Value on such Observation Date, the higher the Interest Amount that will be received by the Securityholder on the immediately following Interest Payment Date; or
- (ii) lower than or equal to the Official Net Asset Value of the Asset on the Initial Valuation Date, then the Securityholder will not receive an Interest Amount on the immediately following Interest Payment Date.

See risk factor 4(a) (*Risks relating to the Interest Amount(s)*) for more information.

Potential for Discretionary Determinations by the Issuer or the Calculation Agent under the Securities

Under the terms and conditions of the Securities, following the occurrence of certain events outside of its control, the Issuer or the Calculation Agent (as the case may be) may determine in its discretion to take one of the actions available to it in order to deal with the impact of such event on the Securities or the Issuer and/or the Hedging Entity, or both. It is possible that any such discretionary determination by the Issuer or the Calculation Agent could have a material adverse impact on the value of the Securities.

There are two key broad types of external events which could trigger a discretionary determination to be made by the Issuer or the Calculation Agent (as the case may be): (a) external events affecting the

Asset and (b) external events affecting the Issuer's and/or the Hedging Entity's hedging arrangements. However, investors should note that, under the terms and conditions of the Securities, there are other types of events which might trigger a discretionary determination by the Issuer. For example, if the Issuer's obligations under the Securities or its related hedging arrangements become or will become illegal, the Issuer may early redeem the Securities.

- (a) External events which affect the Asset: The fundamental investment objective of the Securities is to allow an investor to gain an economic exposure to the Asset. If the Asset is materially impacted by an unexpected event – for example, the investment objectives, strategies, restrictions and requirements of the Asset are materially modified or there is a sub-division, consolidation, reclassification, a distribution or dividend of the shares or units in the Asset – then it may not be possible to achieve the investment objective of the Securities based on the original terms and conditions of the Securities. There are many different external events that may impact the Asset.
- (b) External events which affect the Issuer's or the Hedging Entity's hedging arrangements: The Issuer and/or the Hedging Entity will enter into hedging arrangements in order to manage the Issuer's exposure in relation to its payment obligations under the Securities and to enable it to issue the Securities at the relevant price and on the relevant terms. As the interest amount(s) (if any) payable by the Issuer under the Securities will depend on the performance of the Asset, the hedging arrangements may comprise holding the Asset directly, entering into derivative contracts with counterparties to receive a corresponding economic exposure to the Asset or to hedge the currency or price risk in relation to the Asset or the Securities. Accordingly, if an external event occurs which negatively impacts the Issuer's or the Hedging Entity's hedging arrangements, or if there is a material change in any arrangement between the Hedging Entity and the Asset or the relevant Fund Manager in relation to the Issuer's hedging arrangements, the Issuer or the Calculation Agent (as the case may be) has available to it options which it may select in its discretion in order to deal with the impact of such event.

Broadly, the Issuer or the Calculation Agent (as the case may be) may in its discretion determine that one of the following options shall apply following the occurrence of an external event described above:

- (a) Adjustments to the variables used to calculate the return under the Securities: The Issuer or the Calculation Agent (as the case may be) has discretion to make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount and any determination, estimation or calculation used to calculate such amount to account for the economic effect of the external event on the Securities. This could result in a reduced return on the Securities than would otherwise be received.
- (b) Substitution of the Asset: Following an "Asset Substitution Event" in relation to the Asset, the Issuer may substitute the original Asset with one or more replacement funds satisfying the relevant criteria set out in the terms and conditions and/or make adjustments to the terms and conditions to account for the economic effect of the "Asset Substitution Event" and/or replacement of the original Asset. Any such substitution and potential adjustment could have a material adverse impact on the value of the Securities. However, the Issuer is not required to substitute the original Asset and/or make adjustments to the terms and conditions and may instead waive the "Asset Substitution Event" or take the action described in paragraph (c) below.

- (c) Payment of the Defeasance Additional Maturity Amount on maturity instead of payments of Interest Amounts: Following an "Asset Substitution Event", the Issuer may declare that no further Interest Amounts shall be payable with effect from the Defeasance Date and the Defeasance Additional Maturity Amount shall be payable on the Maturity Date (for the avoidance of doubt, together with the Final Redemption Amount). The Defeasance Additional Maturity Amount (which may be greater than zero or may be zero) will be determined by the Issuer in its sole discretion and is to be based on, inter alia, a realisable value of the Securities as at the relevant Defeasance Date, and may be less than the Interest Amounts otherwise payable under the Securities.

The Issuer or the Calculation Agent (as the case may be) will make any discretionary determinations strictly in accordance with the terms of the applicable provisions set out in the terms and conditions of the Securities. In considering whether and how to make such a discretionary determination, the Issuer or the Calculation Agent (as the case may be) shall act in good faith and in a commercially reasonable manner. Further, the Issuer or the Calculation Agent (as the case may be) will ensure that any such determination is made by it in compliance with its applicable regulatory obligations, including that of achieving fair treatment for Securityholders. Any such determinations will be notified to Securityholders.

See risk factors 3(f) (*The Securities may be redeemed prior to their scheduled maturity*), 4(c) (*Consequences of Asset Adjustment Events*), 4(d) (*Consequences of Asset Disruption Events*) and 4(e) (*Consequences of Asset Substitution Events*) and the section entitled "Economic Proposition" for more information.

No other information

In connection with the issue and sale of the Securities, no person is authorised to give any information or to make any representation not contained in the Registration Document, the Summary or the Securities Note, and neither the Issuer nor the Dealer accepts responsibility for any information or representation so given that is not contained in the Registration Document, the Summary or the Securities Note.

Not an offer

The Prospectus does not constitute an offer of Securities, 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 the Prospectus in any jurisdiction where any such action is required except as specified herein.

Restrictions on distribution

The distribution of this document and the offering of the Securities in certain jurisdictions may be restricted by law. Persons into whose possession the Registration Document, the Summary or the Securities Note comes are required by the Issuer to inform themselves about, and to observe, such restrictions. For a description of certain restrictions on offers or sales of the Securities and the distribution of this document and other offering materials relating to the Securities, please refer to the section headed "Selling Restrictions" of this document.

Important U.S. notice

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**"). Subject to certain exemptions, the Securities may not be offered, sold or delivered within the United States of America or to, or for the account or benefit of, U.S. persons. A further description of the restrictions on offers and sales of the Securities in the United States or to U.S. persons is set forth in the section entitled "Selling Restrictions" of this document.

No rating

The Securities have not been rated.

PART ONE

SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and Warnings		
A.1	Introduction and Warnings:	<p>This Summary should be read as an introduction to this document.</p> <p>Any decision to invest in Securities should be based on consideration of the Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national legislation of the relevant Member State, have to bear the costs of translating this document before the legal proceedings are initiated.</p> <p>Civil liability only attaches to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the this document or it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Securities.</p>
A.2	Consent(s):	<p>Where the Securities are to be the subject of an offer to the public requiring the prior publication of a prospectus under the Prospectus Directive (a "Non-exempt Offer"), the Issuer consents to the use of this document by the financial intermediary/ies ("Authorised Offeror(s)" or "Distributor(s)"), during the offer period and subject to the conditions, as provided as follows:</p> <p>(a) Name and address of Authorised Offeror(s): Deutsche Bank Brussels Branch Avenue Marnix 17, 1000 Brussels, Belgium</p> <p>(b) Offer period for which use of the Prospectus is authorised by the Authorised Offeror(s): From, and including 18 June 2014 to, and including, 5:00 p.m., Central European Time on 25 July 2014</p>

		(c) Conditions to the use of the Prospectus by the Authorised Offeror(s):	The Prospectus may only be used by the Authorised Offeror(s) to make offerings of the Securities in the Kingdom of Belgium
		If you intend to purchase Securities from an Authorised Offeror, you will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and you, including as to price and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this document does not contain such information. The terms and conditions of such offer should be provided to you by that Authorised Offeror. Neither the Issuer nor Credit Suisse International as dealer (the "Dealer") has any responsibility or liability for such information.	
Section B – Issuer			
B.1	Legal and commercial name of the Issuer:	Credit Suisse AG (" CS "), acting through its London branch.	
B.2	Domicile and legal form of the Issuer, legislation under which the Issuers operates and country of incorporation of Issuer:	CS is a Swiss bank and joint stock corporation established under Swiss law and operates under Swiss law. Its registered head office is located at Paradeplatz 8, CH-8001, Switzerland.	
B.4b	Known trends with respect to the Issuer and the industries in which it operates:	Financial services industry is undergoing a transition period The financial services industry is undergoing a transition period, with banks seeking to adapt to new regulatory requirements, changing macroeconomic conditions and evolving client needs. Investment banking developments Investment banking has been impacted by a high degree of macroeconomic uncertainties, political tensions and continuing regulatory developments. There are also concerns due to the European sovereign debt crisis and the global economic slowdown. The Issuer's Group investment banking business has been affected by subdued corporate and institutional risk appetite, continued low client activity levels across businesses and high market volatility.	

		<p>Legal and regulatory developments</p> <p>Financial institutions across the globe have been under significant pressure to adapt their business models as legal requirements became increasingly stringent.</p> <p>The evolving regulatory framework and significant regulatory developments have fundamentally changed the business and competitive landscape of the industry.</p> <p>One example of significant change affecting the industry is the phasing-in of higher minimum capital requirements under Basel III beginning in 2013 in some countries, including Switzerland. Banks deemed systemically important will be required to hold additional capital by the beginning of 2019 as part of efforts to prevent another financial crisis.</p> <p>Although some of the new regulatory measures require further rule-making and will be implemented over time, the Issuer expects increased capital and liquidity requirements and derivatives regulation to result in reduced risk-taking and increased transparency.</p>
B.5	Description of group and Issuers' position within the group	<p>CS is a wholly owned subsidiary of Credit Suisse Group AG.</p> <p>A summary organisation chart is set out below:</p> <div style="text-align: center;"> <pre> graph TD A[Credit Suisse Group AG] -- 100% --> B[Credit Suisse AG] </pre> </div> <p>CS has a number of subsidiaries in various jurisdictions, including the United States and the United Kingdom.</p>
B.9	Profit forecast or estimate	Not applicable; no profit forecasts or estimates have been made by the Issuer.
B.10	Qualifications in audit report on historical financial information	Not applicable; there were no qualifications in the audit report on historical financial information.

B.12	Selected key financial information; and change in the prospects, financial or trading position of the Issuer:	<i>In CHF million</i>	<i>Year ended 31 December</i>	
			<i>2013</i>	<i>2012</i>
		Selected income statement data		
		Net Revenue	25,330	23,178
		Total operating expenses	21,567	21,108
		Net income/loss	2,638	1,495
		Selected balance sheet data		
		Total assets	854,412	908,160
		Total liabilities	810,849	865,999
		Total equity	43,563	42,161
		<p>There has been no material adverse change in the prospects of the Issuer and its consolidated subsidiaries since 31 December 2013 except as disclosed below. There has been no significant change in the financial or trading position of the Issuer and its consolidated subsidiaries since 31 December 2013 except as disclosed below.</p> <p>On 19 May 2014, the Issuer announced a comprehensive and final settlement regarding all outstanding U.S. cross-border matters including agreements with the U.S. Department of Justice, the New York State Department of Financial Services, the Board of Governors of the U.S. Federal Reserve System and the U.S. Securities and Exchange Commission. Credit Suisse agreed to pay USD 2,815 million (CHF 2,510 million); these settlements, net of existing provisions, will result in an after-tax charge of CHF 1,598 million to be booked in the second quarter of 2014. The settlement includes a guilty plea entered into by the Issuer.</p>		
B.13	Recent events particular to the Issuer material to the evaluation of the Issuer's solvency:	Not applicable; there are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.		
B.14	Issuer's position in its group and dependency on other entities within the	<p>See Element B.5 above.</p> <p>The Issuer is not dependent upon other members of its group.</p>		

	group:	
B.15	Issuer's principal activities:	<p>CS' principal activities is structured along three lines of business:</p> <ul style="list-style-type: none"> • Investment banking: CS offers securities products and financial advisory services to users and suppliers of capital around the world • Private banking: CS provides comprehensive advice and a broad range of investment products and services globally, including wealth management solutions • Asset management: CS offers products across a broad spectrum of investment classes, including alternative investments and multi-asset class solutions.
B.16	Ownership and control of the Issuer:	See Element B.5 above.
B.17	Credit ratings assigned to the Issuer :	<p>The Issuer has been issued a senior unsecured long-term debt rating of "A (Negative Outlook)" by Standard & Poor's, a senior long-term debt rating of "A (Stable Outlook)" by Fitch and a senior long-term debt rating of "A1 (Negative Outlook)" by Moody's Inc.</p> <p>The Securities have not been rated.</p>
Section C – Securities		
C.1	Type of securities being offered:	<p>The Securities are Notes.</p> <p>The Securities are uniquely identified by ISIN: XS1040356476; Common Code: 104035647.</p>
C.2	Currency:	The currency of the Securities will be euro ("EUR") (the " Specified Currency ").
C.5	Restrictions on free transferability of the Securities:	<p>The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act and applicable state securities laws.</p> <p>No offers, sales or deliveries of the Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations.</p> <p>Subject to the above, the Securities will be freely transferable.</p>

C.8	Rights attached to the securities, ranking of the securities and limitations to rights:	<p>Rights:</p> <ul style="list-style-type: none"> • The Securities will give each holder of Securities (a "Securityholder") the right to receive a potential return on the Securities (see Elements C.9 and C.10 below). • The Securities are subject to the following events of default: if the Issuer fails to pay any amount due in respect of the Securities within 30 days of the due date, or if any events relating to the insolvency or winding up of the Issuer occur. If an event of default occurs and is continuing, the holder of a Security may declare such Security to be immediately due and payable at its Early Redemption Amount. • The Securities will give each Securityholder the right to vote on certain amendments (if any). • The Securities are governed by English law <p>Status and ranking: The Securities are unsubordinated and unsecured obligations of the Issuer and will rank equally among themselves and with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding.</p> <p>Limitation to Rights:</p> <ul style="list-style-type: none"> • The Issuer may redeem the Securities early for illegality reasons. In such case, the amount payable on such early redemption (the "Early Redemption Amount") will be equal to the prevailing fair market value per Security which the Issuer would quote to a market participant for the purchase of a Security. • Meetings of Securityholders may be convened to consider any matter affecting their interests, and any resolution passed by the relevant majority at a meeting will be binding on all Securityholders, whether or not they attended such meeting or voted for or against it. In certain circumstances, the Issuer may modify the terms and conditions of the Securities without the consent of Securityholders. • The Issuer or the Calculation Agent (as the case may be) has discretion to make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount and any determination, estimation or calculation used to calculate such amount (including with retrospective effect following an Asset Adjustment Event or Asset Substitution Event) without the consent of Securityholders following an Asset Adjustment Event, an Asset Substitution Event, a Fund Disruption Event or a Market Disruption Event. Any such adjustments may reduce the amount that would otherwise be payable under the Securities but shall not reduce the Final Redemption Amount
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		<p>(as defined in Element C. 9 below) payable in respect of each Security below 100 per cent. (100%) of the specified denomination of EUR 1,000. In addition, following the occurrence of an Asset Substitution Event, the Issuer may substitute (including with retrospective effect) the Asset with another fund or declare a Defeasance Date (see C.10 below). Further, following a Fund Disruption Event and/or a Market Disruption Event (either of which is an "Asset Disruption Event"), in addition to adjusting the variables used to calculate the Interest Amount(s), the Issuer has the option of postponing payment.</p> <p>Where:</p> <ul style="list-style-type: none"> Asset Adjustment Event: Asset Adjustment Events in respect of the Asset include: (a) a sub-division, consolidation or reclassification of the shares or units in the Asset, (b) where the Calculation Agent determines that the published Official Net Asset Value of the Asset is not accurate or any transaction in respect of the Asset could not be transacted at such value or with a cash consideration in full, and to be received as scheduled, and such circumstances are not remedied by the Fund Manager within a specified time, (c) the inability of the Hedging Entity (being Credit Suisse International or any affiliate as counterparty to the Issuer's hedging arrangements in respect of the Securities) to liquidate the shares or units in the Asset in accordance with the relevant subscription and redemption terms or any change in such terms, (d) any event having a diluting or concentrative effect on the theoretical value of the shares or units in the Asset, (e) a material adverse change in its accounting, regulatory or tax treatment which does or would adversely affect holders or the Hedging Entity suffers or would suffer such adverse treatment as a result, (f) a material change in any fee arrangement that is in place on the Issue Date between the Hedging Entity and the Asset in relation to the hedging of the Securities, and (g) a material breach by the Fund Manager or any affiliate of the Fund Manager of any agreement with the Hedging Entity in place on the Issue Date in relation to the hedging of the Securities. Asset Substitution Event: Asset Substitution Events in respect of the Asset include the following Fund Substitution Events: (a) events relating to the insolvency or winding up of the Asset or any service provider, (b) any litigation, arbitration, investigation, proceeding or regulatory or governmental action is commenced or is continuing in relation to the activities of the Asset or any
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		<p>service provider for reasons of any alleged wrongdoing or breach of rules which would have a material adverse effect on the value of the Asset, (c) loss of an applicable licence or regulatory authorisation applying to the Asset or a service provider, (d) the commencement or resolution of any legal proceedings against the Asset or any service provider which, if successful, would have a material adverse effect on the value of the Asset, (e) a material change to the legal constitution or management of the Asset, (f) a material modification of the investment objectives and strategy of the Asset, (g) a material breach of the investment objectives and strategy of the Asset which has not been cured within 15 calendar days (provided that the cure period does not apply to any third or subsequent breach), (h) the aggregate net asset value of the Asset decreases by more than 40 per cent. since the Initial Valuation Date, (i) the aggregate net asset value of assets managed by the relevant fund manager decreases by more than 40 per cent. since the Initial Valuation Date, (j) the accounting currency of the Asset changes, (k) the Asset adopts series accounting or equalisation treatment, such that the Hedging Entity is not able to make a single unitised investment in the Asset equivalent to the single unitised investment used in the calculation of the Official Net Asset Value of the Asset, (l) a material breach by the Fund Manager or its affiliate of any agreement with the Hedging Entity in place on the Issue Date in relation to the hedging of the Securities, (m) a Fund Disruption Event and/or a Market Disruption Event exists on each of the 14 calendar days following the day on which the Calculation Agent would have determined the value of the Asset and the Calculation Agent has declared an Asset Substitution Event (n) certain events relating to the liquidity of the Asset, the implementation of taxes and other charges, a change in law, or compliance with reporting obligations which are not remedied reasonably promptly by the Asset (or within the relevant cure periods) to the satisfaction of the Issuer and which has a material effect on the ability of the Hedging Entity to hedge its obligations in respect of the Securities. Further, an Asset Substitution Event shall occur where the Asset no longer satisfies the Inclusion Conditions.</p> <ul style="list-style-type: none"> • Fund Disruption Event: Fund Disruption Events in respect of the Asset include: (a) any failure, suspension or postponement in the reporting or publishing of the Official Net Asset Value in respect of the Asset as scheduled or any event preventing the receipt of such
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		<p>Official Net Asset Value, (b) where the Calculation Agent determines that the published Official Net Asset Value of the Asset is not accurate or any transaction in respect of such Asset could not be transacted at such value or with a cash consideration in full, and to be received as scheduled, and such circumstances are not remedied by the Fund Manager within a specified time (c) the inability of a hypothetical investor to liquidate the shares or units in the Asset, (d) a postponement, suspension or failure of the Asset to make any payment in respect of the redemption of any interest in the Asset as scheduled, and (e) the Hedging Entity is not permitted to subscribe for or redeem interests in the Asset in accordance with the Asset's offering document.</p> <ul style="list-style-type: none"> Market Disruption Event: Market Disruption Events include: (a) when the foreign exchange market or money market in U.S. dollars or euros is or are closed otherwise than for ordinary public holidays or if trading is restricted or suspended, and this would have a material impact on the ability of the Calculation Agent to calculate the value of the Securities or on the ability of the Hedging Entity to execute a hedge in respect of the Securities, and (b) where there is a breakdown of any means of communication normally used for the valuation by the Calculation Agent of the Asset or if the Issuer or the Calculation Agent is informed, or determines, that the last reported Official Net Asset Value should not be relied upon. The Issuer may at any time, without the consent of the Securityholders, substitute for itself as principal debtor under the Securities an affiliate of the Issuer having an equal or higher long-term unsecured debt rating than that of the Issuer or having the benefit of a guarantee from the Issuer or another affiliate of the Issuer with such a debt rating.
C.9	Rights attached to the securities including ranking and limitations, interest and redemption	<p>See Element C.8 above for information on rights attaching to the Securities including ranking and limitations.</p> <p>Interest</p> <p>See Element C. 10 below.</p> <p>The Interest Amounts (which may be zero) payable on an Interest Payment Date are contingent amounts that will depend on the value of the Asset on the annual Observation Date immediately preceding the relevant Interest Payment Date and a participation factor that adjusts downwards over time. A summary and explanation of the formula used to calculate the Interest Amount is set out in Element C. 10 below.</p>

		<p>The Interest Payment Dates are, in respect of each Observation Date other than the final Observation Date, the third payment business day following such Observation Date and, in respect of the final Observation Date, the Maturity Date.</p> <p>The Asset is the DNCA Invest – Eurose, a mutual fund, subject to replacement following the occurrence of an Asset Substitution Event.</p> <p>Redemption</p> <p>Unless redeemed earlier or purchased and cancelled, the Securities will be redeemed at par (the "Final Redemption Amount") on the Maturity Date. The Maturity Date is scheduled to fall on 7 August 2023, subject to adjustment in accordance with the terms and conditions of the Securities.</p> <p>Payment of the Final Redemption Amount will be made to Securityholders through Euroclear and Clearstream, Luxembourg.</p> <p>Representative of Securityholders</p> <p>Not applicable; there is no representative for the Securityholders in respect of the Securities.</p>						
C.10	Derivative component in the interest payment:	<p>Calculation of Interest Amounts</p> <p>Unless the Securities have been previously redeemed or purchased and cancelled, the "Interest Amount" payable by the Issuer in respect of each Security (of the Specified Denomination) on each Interest Payment Date will be an amount in EUR determined in accordance with the following formula:</p> $SD \times \frac{\text{Participation}}{N(t)} \times \text{Max} \left[0; \left(\frac{\text{Asset (t)}}{\text{Asset (Initial)}} - \text{Strike} \right) \right]$ <p>Where:</p> <ul style="list-style-type: none"> • Asset: The mutual fund specified below, subject to replacement following the occurrence of an Asset Substitution Event. <table border="1"> <thead> <tr> <th>Asset</th><th>Bloomberg Code</th><th>ISIN</th></tr> </thead> <tbody> <tr> <td>DNCA Invest - Eurose</td><td>LEODEFA LX</td><td>LU0284394235</td></tr> </tbody> </table> <ul style="list-style-type: none"> • Asset (Initial): The Official Net Asset Value of the Asset on the Initial Valuation Date. • Asset (t): In respect of an Interest Payment Date, the Official 	Asset	Bloomberg Code	ISIN	DNCA Invest - Eurose	LEODEFA LX	LU0284394235
Asset	Bloomberg Code	ISIN						
DNCA Invest - Eurose	LEODEFA LX	LU0284394235						

		<p>Net Asset Value of the Asset on the Observation Date immediately preceding such Interest Payment Date.</p> <ul style="list-style-type: none">• Initial Valuation Date: 30 July 2014, subject to adjustment in accordance with the terms and conditions of the Securities.• Interest Payment Date: In respect of (i) each Observation Date (other than the final Observation Date), the third payment business day following such Observation Date, and (ii) the final Observation Date, the Maturity Date.• Maturity Date: 7 August 2023, subject to adjustment in accordance with the terms and conditions of the Securities.• Max: Followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.• N(t): In respect of an Interest Payment Date, the number specified in the column entitled "N(t)" in the table at "Observation Date" below corresponding to the Observation Date immediately preceding such Interest Payment Date.• Observation Date: Each date specified in the column entitled "Observation Date" in the following table, in each case subject to adjustment in accordance with the terms and conditions of the Securities. There shall be nine Observation Dates in total. <table><tr><th>Observation Date</th><th>N(t)</th></tr><tr><td>29 July 2015</td><td>1</td></tr><tr><td>29 July 2016</td><td>2</td></tr><tr><td>31 July 2017</td><td>3</td></tr><tr><td>30 July 2018</td><td>4</td></tr><tr><td>29 July 2019</td><td>5</td></tr><tr><td>29 July 2020</td><td>6</td></tr><tr><td>29 July 2021</td><td>7</td></tr><tr><td>29 July 2022</td><td>8</td></tr><tr><td>31 July 2023</td><td>9</td></tr></table> <ul style="list-style-type: none">• Official Net Asset Value: The net asset value per unit of the Asset as calculated and reported by its administrator for an Asset Business Day.	Observation Date	N(t)	29 July 2015	1	29 July 2016	2	31 July 2017	3	30 July 2018	4	29 July 2019	5	29 July 2020	6	29 July 2021	7	29 July 2022	8	31 July 2023	9
Observation Date	N(t)																					
29 July 2015	1																					
29 July 2016	2																					
31 July 2017	3																					
30 July 2018	4																					
29 July 2019	5																					
29 July 2020	6																					
29 July 2021	7																					
29 July 2022	8																					
31 July 2023	9																					

		<ul style="list-style-type: none"> • Participation: 100 per cent. (expressed as one). • SD or Specified Denomination: EUR 1,000. • Strike: 100 per cent. (expressed as one). <p>However, if the Calculation Agent determines that an Asset Substitution Event has occurred, and the Issuer declares a date for which it will determine the Defeasance Additional Maturity Amount (being the "Defeasance Date"), then no further Interest Amounts shall be payable with effect from the Defeasance Date and the Defeasance Additional Maturity Amount will be payable on the Maturity Date (for the avoidance of doubt, together with the Final Redemption Amount).</p> <p>The Defeasance Additional Maturity Amount is an amount in the Specified Currency (which may be greater than or equal to zero), determined by the Issuer as of the Defeasance Date, equal to (i) the prevailing fair market value per Security which the Issuer would quote to a market participant for the repurchase (against a payment on the Maturity Date) of securities with the same terms as the Securities, less (ii) an amount equal to the Final Redemption Amount (as defined in Element C. 9 above) of the Securities. The calculation of the Defeasance Additional Maturity Amount will be determined by the Issuer in its sole discretion and is to be based on, <i>inter alia</i>, a realisable value of the Securities as at the relevant Defeasance Date. The Issuer shall take into account any Asset Disruption Event, Asset Adjustment Event or Asset Substitution Event that affects any determination of the Defeasance Additional Maturity Amount in such manner as it sees fit.</p> <p><i>Asset performance affects value of Interest Amounts</i></p> <p>The formula used to calculate the Interest Amount payable in respect of a Security may be summarised as the product of (i) the Specified Denomination, (ii) the Participation and (iii) the ratio of (a) the positive performance of the Asset from the Initial Valuation Date to the relevant Observation Date, to (b) the number of years from the Initial Valuation Date to the relevant Observation Date (being the "N(t)").</p> <p>If the Official Net Asset Value of the Asset on an Observation Date is:</p> <p>(i) greater than the Official Net Asset Value of the Asset on the Initial Valuation Date, then an Interest Amount will be payable on the immediately following Interest Payment Date. If an Interest Amount is payable, the value of such Interest Amount is a function of (a) the number of years from the Initial Valuation Date to the relevant Observation Date (i.e., the N(t)) (and the value of such Interest Amount is reduced in proportion to such period) and (b) the amount by which the Official Net Asset Value of the Asset on such Observation Date exceeds the Official Net Asset Value of the Asset on the</p>
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		<p>Initial Valuation Date (not the amount by which the Official Net Asset Value of the Asset on such Observation Date exceeds the Official Net Asset Value of the Asset on the immediately preceding Observation Date). The higher the Official Net Asset Value on such Observation Date, the higher the Interest Amount that will be received by the Securityholder on the immediately following Interest Payment Date; or</p> <p>(ii) lower than or equal to the Official Net Asset Value of the Asset on the Initial Valuation Date, then the Securityholder will not receive an Interest Amount on the immediately following Interest Payment Date.</p> <p>Investors should read the summary of the key risks that are specific to the Securities in Element D. 3.</p>
C.11	Admission to trading on a regulated market:	Application has been made to admit the Securities to trading on the Regulated Market of the Luxembourg Stock Exchange.
Section D – Risks		
D.2	Key risks that are specific to the Issuer	<p>The Securities are general unsecured obligations of the Issuer. Investors in the Securities are exposed to the risk that the Issuer could become insolvent and fail to make the payments owing by it under the Securities.</p> <p>The Issuer is exposed to a variety of risks that could adversely affect its operations and/or financial condition:</p> <ul style="list-style-type: none"> • Liquidity risk: The Issuer's liquidity could be impaired if it were unable to access the capital markets or sell its assets, and the Issuer expects its liquidity costs to increase. The Issuer's businesses rely significantly on its deposit base for funding; however, if deposits cease to be a stable source of funding, the Issuer's liquidity position may be adversely affected. Changes to the Issuer's credit ratings may also adversely affect the Issuer's business. • Market risk: The Issuer may incur significant losses on its trading and investment activities due to market fluctuations and volatility. Its businesses are subject to the risk of loss from adverse market conditions and unfavourable economic, monetary, political, legal and other developments in the countries it operates in around the world. The Issuer has significant risk concentration in the financial services industry which may cause it to suffer losses even when economic and market conditions are generally favourable for others in the industry. Further, the Issuer's hedging strategies may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk. Market risk may also

		<p>increase the other risks that the Issuer faces.</p> <ul style="list-style-type: none"> • Credit risk: The Issuer may suffer significant losses from its credit exposures. Defaults by a large financial institution could adversely affect the Issuer and financial markets generally. The information which the Issuer uses to manage its credit risk may be inaccurate or incomplete. • Risks from estimates and valuations: The Issuer makes estimates and valuations that affect its reported results; these estimates are based upon judgment and available information, and the actual results may differ materially from these estimates. • Risks relating to off-balance sheet entities: The Issuer may enter into transactions with certain special purpose entities which are not consolidated and whose assets and liabilities are off-balance sheet. If the Issuer is required to consolidate a special purpose entity for any reason, this could have an adverse impact on the Issuer's operations and capital and leverage ratios. • Cross-border and currency exchange risks: Cross-border risks may increase the market and credit risks that the Issuer faces. Economic or political pressures in a country or region may adversely affect the ability of the Issuer's clients or counterparties in that country or region to perform their obligations to the Issuer, which may in turn have an adverse impact on the Issuer's operations. • Operational risk: The Issuer is exposed to a wide variety of operational risks, including information technology risk. The Issuer may suffer losses due to employee misconduct. • Risk management: The Issuer's risk management procedures and policies may not always be effective, and may not fully mitigate its risk exposure in all markets or against all types of risk. • Legal and regulatory risks: The Issuer faces significant legal risks in its businesses. Regulatory changes may adversely affect the Issuer's business and ability to execute its strategic plans. Under Swiss banking laws, FINMA has broad powers in the case of resolution proceedings with respect to a Swiss bank such as the Issuer, and such proceedings may adversely affect the Issuer's shareholders and creditors. Changes in monetary policies adopted by relevant regulatory authorities and central banks may directly impact the Issuer's costs of funding, capital raising and investment activities, and may impact the value of financial instruments held by the Issuer and the competitive and operating environment for the financial services industry. Legal restrictions on the Issuer's clients may also adversely affect the Issuer by reducing the demand for the Issuer's services.
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		<ul style="list-style-type: none"> • Competition risks: The Issuer faces intense competition in all financial services markets and for the products and services it offers. The Issuer's competitive position could be harmed if its reputation is damaged due to any failure (or perceived failure) in its procedures and controls. The continued public focus on compensation in the financial services industry and related regulatory changes may adversely impact the Issuer's ability to attract and retain highly skilled employees. The Issuer also faces competition from new trading technologies. • Risks relating to strategy: The Issuer may not achieve all of the expected benefits of its strategic initiatives. The Issuer has announced a program to change its legal entity structure; however, this is subject to uncertainty regarding feasibility, scope and timing. Legal and regulatory changes may require the Issuer to make further changes to its legal structure, and such changes may potentially increase operational, capital, funding and tax costs, as well as the Issuer's counterparties' credit risk.
D.3	Key risks that are specific to the Securities	<p>The Securities are subject to the following key risks:</p> <ul style="list-style-type: none"> • A secondary market for the Securities may not develop and, if it does, it may not provide the investors with liquidity and may not continue for the life of the Securities. Illiquidity may have an adverse effect on the market value of the Securities. • The issue price of the Securities may be more than the market value of such Securities as at the issue date, and more than the price at which the Securities can be sold in secondary market transactions. • The levels and basis of taxation on the Securities and any reliefs from such taxation will depend on an investor's individual circumstances and could change at any time. The tax and regulatory characterisation of the Securities may change over the life of the Securities. This could have adverse consequences for investors. • In certain circumstances (for example, if the Issuer determines that its obligations under the Securities have become unlawful or illegal or following an event of default) the Securities may be redeemed prior to their scheduled maturity. In such circumstances, the amount payable may be less than its original purchase price and could be as low as zero. • Following early redemption of Securities, investors may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors in Securities should consider such reinvestment

		<p>risk in light of other investments available at that time.</p> <ul style="list-style-type: none"> • The Interest Amounts (which may be zero) payable under the Securities will depend on the value of the Asset on each of the specified Observation Dates and a participation factor that adjusts downwards over time. Risks relating to the Interest Amounts include (but are not limited to), the following: <ul style="list-style-type: none"> • The participation in the performance of the Asset will reduce over time and therefore, even if the value of the Asset stays constant, the Interest Amount(s) (if any) payable under the Securities will decrease with each successive Interest Payment Date. • Due to the reduction of the participation factor over time, an investor's return on the Securities may be significantly less than had the investor purchased the Asset directly. This is because the reduction in the participation factor will have the effect of reducing an investor's exposure to any positive return on the Asset. • As the Interest Amount(s) are calculated by reference to the ratio between the value of the Asset on the relevant Observation Date and the value of the Asset on the Initial Valuation Date, investors will not benefit from any increase in the value of the Asset in the period between, but excluding, Observation Dates. • As a comparison is made between the value of the Asset on the relevant Observation Date and the value of the Asset on the Initial Valuation Date, investors will only participate in the positive return of the Asset on the relevant Observation Date that is greater than the Asset's value on the Initial Valuation Date. If the Asset has negative performance in any given period, investors will not benefit from positive performance of the Asset in any subsequent period if the value of the Asset on the relevant Observation Date remains equal to or below its value on the Initial Valuation Date. • The Securities are linked to a single fund. Therefore investors have a non-diversified exposure to the performance of that fund and its fund manager and service providers. • Following the occurrence of an Asset Substitution Event, the Issuer may: <ul style="list-style-type: none"> • make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount; • substitute the Asset with one or more funds which comply with certain specified conditions; or
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		<ul style="list-style-type: none"> • declare a date on which it will calculate the Defeasance Additional Maturity Amount, in which case no further Interest Amounts shall be payable with effect from the Defeasance Date and the Defeasance Additional Maturity Amount will be payable on the Maturity Date (for the avoidance of doubt, together with the Final Redemption Amount (as defined in Element C. 9 above)). The Defeasance Additional Maturity Amount (which may be greater than zero or may be zero) will be determined by the Issuer in its sole discretion and is to be based on, <i>inter alia</i>, a realisable value of the Securities as at the relevant Defeasance Date, and may be less than the Interest Amounts otherwise payable under the Securities, <p>each of which actions could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities.</p> <ul style="list-style-type: none"> • Following the occurrence of an Asset Disruption Event, the Calculation Agent has discretion to (a) make any calculation, determination or adjustment of any variable in respect of the Securities and make any payment, using an estimate of such variable, or (b) not make any payment or calculation in respect of the disrupted day and such disrupted day shall be postponed until no Asset Disruption Event exists or is continuing; this could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities. If one or more Asset Disruption Events have occurred or continued for 14 consecutive calendar days, then the Calculation Agent may declare an Asset Substitution Event. • Following the occurrence of an Asset Adjustment Event, the Calculation Agent has discretion to make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount and any determination, estimation or calculation used to calculate such amount; this could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities. • The performance of a fund is subject to many factors, including (but not limited to) the following: <ul style="list-style-type: none"> • Investments in fund may be illiquid as interests in a fund may be redeemed on specific dates or may be subject to certain transfer restrictions, or a fund may have the right to suspend redemption rights or make in-kind distributions in the event of disruptions; • The strategies used by a fund may not achieve its intended results or investment performance; • The number and diversity of investments held by a fund may
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		<p>be limited;</p> <ul style="list-style-type: none"> • The fund manager may utilise leverage techniques. While such techniques may increase the opportunity for higher returns, they will generally also increase the risk of loss; • Suspensions or limits for securities listed on a public exchange could render a fund's strategies difficult to complete or continue; • The valuation of a fund may be based on preliminary calculations by the fund manager or its judgement of the fair value of certain investments; if such judgements are incorrect, this may have an adverse effect on the net asset value of the fund; and • The performance of a fund will depend on the experience of certain key persons associated with the fund manager; the loss of such persons may have a material adverse effect on the performance of a fund. • The Issuer is subject to a number of conflicts of interest, including: (a) in making certain calculations and determinations, there may be a difference of interest between the investors and the Issuer and (b) in the ordinary course of its business the Issuer (or an affiliate) may effect transactions for its own account and may enter into hedging transactions with respect to the Securities, which may affect the market price, liquidity or value of the Securities. • Investors may lose up to all of their investment if one or more of the following occurs: (a) if the Securities are redeemed early for illegality reasons, (b) the Issuer fails and is unable to make payments owing under the Securities, or (c) investors sell their Securities prior to maturity in the secondary market at an amount that is less than the initial purchase price.
Section E – Other		
E.2b	Use of proceeds:	The net proceeds from the issue of the Securities will be used by the Issuer for its general corporate purposes (including hedging arrangements).
E.3	Terms and conditions of the offer:	<p>The Securities are offered subject to the following conditions:</p> <ul style="list-style-type: none"> • The offer of the Securities is conditional on their issue. • The offer may be cancelled if the Issuer or the Distributor (as defined in Element A.2 above) assesses, at its absolute discretion, that any applicable laws, court rulings, decisions by governmental or other authorities or other similar factors render it illegal, impossible or impractical, in whole or part, to complete the offer or that there has been a material adverse change in the market

		<p>conditions.</p> <ul style="list-style-type: none"> • The Issuer reserves the right to withdraw the offer and/or to cancel the issue of the Securities for any reason at any time on or prior to the Issue Date. • The Securities will be offered for sale to the public in the Kingdom of Belgium during the period from, and including, 18 June 2014 to, and including, 5:00 p.m., Central European Time on 25 July 2014 ("Offer Period"). The Offer Period may be discontinued at any time. The Offer Period may be discontinued at any time. • There is no minimum amount of application. The maximum amount of application will be subject only to availability at the time of application. • Payments for the Securities shall be made to the Distributor on 29 July 2014.
E.4	Interests material to the issue/offer:	<p>Fees shall be payable to the Issuer and the Distributor. An upfront fee of up to 4.95 per cent. of the initial aggregate nominal amount of the Securities, equivalent to approximately 0.55 per cent. of the initial aggregate nominal amount of the Securities per annum, has been received by the Distributor. Such a fee is included in the issue price of the Securities.</p> <p>The Issuer is subject to conflicts of interest between its own interests and those of holders of Securities, as described in Element D.3 above.</p>
E.7	Estimated expenses:	<p>Not Applicable; there are no estimated expenses charged to the investor by the Issuer or the Distributor. See Element E.4 above for information on applicable fees.</p>

PART TWO
SECURITIES NOTE

RISK FACTORS

Warning: Even though the Securities provide for scheduled redemption in full of the principal amount of the Securities at maturity, you will still be exposed to the credit risk of the Issuer and will lose up to the entire value of your investment if the Issuer either fails or is otherwise unable to meet its payment obligations. You may also lose some or all of your investment if:

- **you sell your Securities prior to maturity in the secondary market at an amount that is less than your initial purchase price; or**
- **your Securities are redeemed early under their terms and conditions at the discretion of the Issuer and the Early Redemption Amount paid to you is less than the initial purchase price.**

1. **General considerations**

The purchase of Securities involves substantial risks and an investment in the Securities is only suitable for investors who have the knowledge and experience in financial and business matters necessary to enable them (either alone or in conjunction with an appropriate financial adviser) to evaluate the risks and merits of an investment in the Securities and who have sufficient resources to be able to bear any losses that may result therefrom. The Issuer is acting solely in the capacity of an arm's length contractual counterparty and not as an investor's financial adviser or fiduciary in any transaction.

Before making any investment decision, prospective investors in the Securities should ensure that they understand the nature of the Securities and the extent of their exposure to risks involved.

The Issuer believes that the factors described below may affect its ability to fulfil its obligations under the Securities. Most of these factors are contingencies which may or may not occur and which could have a material adverse effect on the relevant Issuer's businesses, operations, financial condition or prospects, which, in turn, could have a material adverse effect on the return investors will receive on the Securities. The Issuer does not express a view on the likelihood of any such contingency occurring.

The Issuer believes that the factors described below are material for the purpose of assessing the market risks associated with the Securities and represent the material risks inherent in investing in the Securities, but these are not the only risks that the Issuer faces or that may arise under the Securities. There will be other risks that the Issuer does not currently consider to be material, or risks that the Issuer is currently not aware of, or risks that arise due to circumstances specific to the investor, and the Issuer does not represent that the statements below regarding the risks of holding the Securities are exhaustive.

More than one investment risk may have simultaneous effect with regard to the value of the Securities and the effect of any single investment risk may not be predictable. In addition, more than one investment risk may have a compounding effect and no assurance can be given as to the effect that any combination of investment risks may have on the value of Securities.

2. **Risks associated with the creditworthiness of the Issuer**

Securities are general unsecured obligations of the Issuer. Securityholders are exposed to the credit risk of the Issuer. The Securities will be adversely affected in the event of a default, reduced credit rating or deterioration in the solvency of the Issuer.

The profitability of the Issuer will be affected by, among other things, changes in global economic conditions, inflation, interest/exchange rates, capital risk, liquidity risk, market risk, credit risk, risks from estimates and valuations, risks relating to off-balance sheet entities, cross-border and foreign exchange risks, operational risks, legal and regulatory risks and competition risks. These risks are discussed in further detail below.

These risk factors should be read together with the risk factors in respect of the Issuer listed on pages 35 to 42 of the Exhibit to the Form 20-F Dated 3 April 2014 (as defined in the Registration Document). Such risk factors are risk factors that are material to the Securities in order to assess the market risk associated with them or which may affect the Issuer's ability to fulfil its obligations under them.

3. Risks relating to the Securities generally

(a) Loss of investments

Even though the Securities provide for scheduled repayment in full of the principal amount of the Securities, investors may lose all or part of their investment. Please refer to the section entitled "Warning" above.

In any event, if the amount payable on redemption of the Securities is less than the price at which investors paid for their Securities, investors may lose all or part of their investment. In particular, investors that purchase the Securities at the Issue Price and hold the Securities until maturity will receive a Final Redemption Amount that is less than the amount of their initial investment (excluding any Interest Amount(s) received).

The Securities are not deposits, and are not covered by any deposit insurance or protection scheme.

(b) Limited Liquidity

A secondary market for the Securities may not develop and if one does develop, it may not provide the holders of the Securities with liquidity or may not continue for the life of the Securities. A decrease in the liquidity of an issue of Securities may cause, in turn, an increase in the volatility associated with the price of such issue of Securities. Illiquidity may have a severely adverse effect on the market value of Securities.

The Issuer may, but is not obliged to, purchase Securities at any time at any price in the open market or by tender or private treaty and may hold, resell or cancel them. The market for Securities may be limited. The only way in which a Securityholder can realise value from a Security prior to its maturity or expiry is to sell it at its then market price in the market which may be less than the amount initially invested. The price in the market for the Security may be less than its Issue Price.

Any secondary market price quoted by the Issuer may be affected by several factors including, without limitation, prevailing market conditions, credit spreads and the time to maturity. Accordingly, the purchase of Securities is suitable only for investors who can bear the risks associated with a lack of liquidity in the Securities and the financial and other risks

associated with an investment in the Securities. Any investor in the Securities must be prepared to hold such Securities for an indefinite period of time or until redemption of the Securities.

(c) The Issue Price may be more than the Securities' market value

The Issue Price in respect of the Securities may be more than its market value as at the Issue Date, and more than the price, if any, at which the Dealer or any other person is willing to purchase such Securities in secondary market transactions. In particular, the Issue Price in respect of any Securities may take into account amounts with respect to commissions relating to the issue and sale of such Securities and amounts relating to the hedging of the Issuer's obligations under such Securities.

(d) The market value of Securities may be highly volatile

Where the Securities reference any underlying asset(s), the Securityholders are exposed to the performance of such underlying asset(s). The price, performance or investment return of the underlying asset(s) may be subject to sudden and large unpredictable changes over time and this degree of change is known as "volatility". The volatility of an underlying asset may be affected by national and international financial, political, military or economic events, including governmental actions, or by the activities of participants in the relevant markets. Any of these events or activities could adversely affect the value of the Securities.

(e) Tax

Potential investors in the Securities should take note of the information set out in the section headed "Taxation" of this document. Potential investors in the Securities should conduct such independent investigation and analysis regarding the tax treatment of the Securities as they deem appropriate to evaluate the merits and risks of an investment in the Securities. Tax risks include, without limitation, a change in any applicable law, treaty, rule or regulation or the interpretation thereof by any relevant authority which may adversely affect payments in respect of the Securities. The level and basis of taxation on the Securities and on the Securityholders and any reliefs from such taxation depend on the Securityholder's individual circumstances and could change at any time. The tax and regulatory characterisation of the Securities may change over the life of the Securities. This could have adverse consequences for Securityholders. Potential Securityholders will therefore need to consult their own tax advisers to determine the specific tax consequences of the purchase, ownership, transfer and redemption, exercise or expiry or enforcement of the Securities.

(f) The Securities may be redeemed prior to their scheduled maturity

In certain circumstances (for example, if the Issuer determines that its obligations under the Securities have become unlawful or illegal or following an event of default) the Securities may be redeemed prior to their scheduled maturity. In such circumstances, the Early Redemption Amount payable may be less than its original purchase price and could be as low as zero.

Following early redemption of Securities, the Holders of such Securities may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate or yield on the Securities being redeemed and may only be able to do so at a significantly lower rate. Investors in Securities should consider such reinvestment risk in light of other investments available at that time.

4. **Risks relating to particular terms or features of the Securities**

(a) **Risks relating to the Interest Amount(s)**

The Interest Amounts (which may be zero) payable under the Securities will depend on the value of the Asset on each of the specified Observation Dates relative to its value on the Initial Valuation Date and a participation factor that adjusts downwards over time.

Risks relating to the Interest Amounts include (but are not limited to), the following:

- (i) *Reduction in the participation factor over time:* The participation in the performance of the Asset will reduce over time and therefore, even if the value of the Asset stays constant, the Interest Amount(s) (if any) payable under the Securities will decrease with each successive Interest Payment Date. Due to the reduction of the participation factor over time, an investor's return on the Securities may be significantly less than had the investor purchased the Asset directly. This is because the reduction in the participation factor will have the effect of reducing an investor's exposure to any positive return on the Asset.
- (ii) *Performance is measured on specified Observation Dates:* As the Interest Amount(s) are calculated by reference to the ratio between the Official Net Asset Value of the Asset on the relevant Observation Date and the Official Net Asset Value of the Asset on the Initial Valuation Date, investors will not benefit from any increase in the Official Net Asset Value of the Asset in the period between, but excluding, Observation Dates.
- (iii) *Investors participate only in the positive performance of the Asset above its initial value:* As a comparison is made between the Official Net Asset Value of the Asset on the relevant Observation Date and the Official Net Asset Value of the Asset on the Initial Valuation Date, investors will only participate in the positive return of the Asset on the relevant Observation Date that is greater than the Asset's Official Net Asset Value on the Initial Valuation Date. If the Asset has negative performance in any given period, investors will not benefit from positive performance of the Asset in any subsequent period if the Official Net Asset Value of the Asset on the relevant Observation Date remains equal to or below the Official Net Asset Value of the Asset on the Initial Valuation Date.
- (iv) *Interest Amount(s) are linked to the performance of a single fund:* the Securities give investors a non-diversified exposure to the performance of a single fund and its fund manager and service providers. See Section 5 below ("*Risks associated with Securities that are linked to the Asset generally*") and Section 6 ("*Risks associated with Securities that are linked to funds generally*").

(b) **Consequences of Asset Adjustment Events**

Following the occurrence of an Asset Adjustment Event, the Calculation Agent has discretion to make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount and any determination, estimation or calculation used to calculate such amount, to take into account an amount in compensation for a Hypothetical Investor to reflect the risk of holding any Asset or hedging arrangements under the Securities. These actions could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities.

(c) **Consequences of Asset Disruption Events**

Following the occurrence of an Asset Disruption Event, the Calculation Agent has discretion to (i) make any calculation, determination or adjustment of any variable in respect of the Securities and make any payment, using an estimate of such variable, or (ii) not make any payment or calculation in respect of the Disrupted Valuation Day and such Disrupted Valuation Day shall be postponed until such Asset Disruption Event has ceased. If one or more Asset Disruption Events have occurred or continued for 14 consecutive calendar days, then the Calculation Agent may declare an Asset Substitution Event. These actions could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities.

(d) **Consequences of Asset Substitution Events**

Following the occurrence of an Asset Substitution Event, the Issuer may (i) substitute the affected Asset with one or more funds, (ii) make adjustments to the Early Redemption Amount, if applicable, or any Interest Amount and any determination, estimation or calculation used to calculate such amount, to take into account an amount in compensation for a Hypothetical Investor to reflect the risk of holding the Asset or hedging arrangements under the Securities or (iv) declare a date on which the Defeasance Additional Maturity Amount will be calculated. These actions could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities.

Following the declaration of a date on which the Defeasance Additional Maturity Amount will be calculated, no further Interest Amounts shall be payable with effect from the Defeasance Date and the Defeasance Additional Maturity Amount will be payable on the Maturity Date (for the avoidance of doubt, together with the Final Redemption Amount). The Defeasance Additional Maturity Amount (which may be greater than zero or may be zero) will be determined by the Issuer in its sole discretion and is to be based on, inter alia, a realisable value of the Securities as at the relevant Defeasance Date, and may be less than the Interest Amounts otherwise payable under the Securities. The Issuer shall take into account any Asset Disruption Event, Asset Adjustment Event or Asset Substitution Event that affects any determination of the Defeasance Additional Maturity Amount in such manner as it sees fit. These actions could have an adverse effect on the value of the Securities and may reduce the amount that would otherwise be payable under the Securities.

5. **Risks associated with Securities that are linked to the Asset generally**

(a) **Past performance of the Asset is not indicative of future performance**

Any information about the past performance of the Asset at the time of the issuance of the Securities should not be regarded as indicative of the range of, or trends in, fluctuations in the Asset that may occur in the future. The value of the Asset may go down as well as up throughout the term of the Securities. Such fluctuations may affect the value of the Securities. There can be no assurance as to the future performance or movement of the Asset. Accordingly, before investing in the Securities, investors should carefully consider whether any investment linked to the Asset is suitable for them.

(b) **No rights of ownership in the Asset**

Potential investors in the Securities should be aware that the Asset will not be held by the Issuer for the benefit of the Securityholders of such Securities and, as such, Securityholders

will have no rights of ownership, including, without limitation, any voting rights, any rights to receive dividends or other distributions or any other rights with respect to the Asset referenced by such Securities.

(c) **Currency Risk**

Investors are exposed to currency risks because (i) if the Asset is substituted in accordance with the terms and conditions of the Securities, the replacement Asset may be denominated or priced in a currency other than the currency in which the Securities are denominated, or (ii) the Securities and/or such Asset may be denominated in currencies other than the currency of the country in which the investor is resident. The value of the Securities may therefore increase or decrease as a result of fluctuations in those currencies.

6. **Risks associated with Securities that are linked to funds generally**

(a) **Each fund is subject to its own unique risks and investors should review the offering documents of such fund - including any description of risk factors - prior to making an investment decision regarding any Securities**

Investors should review the relevant fund offering documents, including the description of risk factors contained therein, prior to making an investment decision regarding the Securities. However, neither the Issuer nor any of its affiliates takes any responsibility for any such fund offering documents. Such fund offering documents will include more complete descriptions of the risks associated with investing into the relevant fund and the investments that the relevant fund intends to make. Any investment decision must be based solely on information in the relevant fund offering documents, this document, and such investigations as the investor deems necessary, and consultation with the investor's own legal, regulatory, tax, accounting and investment advisers in order to make an independent determination of the suitability and consequences of an investment in the Securities.

(b) **The performance of a fund is subject to many factors, including the fund strategies, underlying fund investments, the fund manager and other factors**

A fund, and any underlying fund components in which it may invest, may utilise strategies such as short-selling, leverage, securities lending and borrowing, investment in sub-investment grade or non-readily realisable investments, uncovered options transactions, options and futures transactions and foreign exchange transactions and the use of concentrated portfolios, each of which could, in certain circumstances, magnify adverse market developments and losses. Funds, and any underlying fund components in which it may invest, may make investments in markets that are volatile and/or illiquid and it may be difficult or costly for positions therein to be opened or liquidated. No assurance can be given relating to the present or future performance of a fund and any underlying fund component in which it may invest. The performance of a fund and any underlying fund component in which it may invest is dependent on the performance of the fund manager in selecting underlying fund components and the management of the relevant component in respect of the underlying fund components. No assurance can be given that these persons will succeed in meeting the investment objectives of the fund, that any analytical model used thereby will prove to be correct or that any assessments of the short-term or long-term prospects, volatility and correlation of the types of investments in which a fund has or may invest will prove accurate.

The following is a summary description of certain particular risks in relation to funds:

- (i) *Illiquidity of fund investments:* The net asset value of a fund will fluctuate with, among other changes, changes in market rates of interest, general economic conditions, economic conditions in particular industries, the condition of financial markets and the performance of a fund's underlying investments. Investments by a fund in certain underlying assets will provide limited liquidity. Interests in a fund may be subject to certain transfer restrictions, including, without limitation, the requirement to obtain the fund manager's consent (which may be given or withheld in its discretion). Furthermore, the relevant fund offering documents typically provide that interests therein may be voluntarily redeemed only on specific dates of certain calendar months, quarters or years and only if an investor has given the requisite number of days' prior notice to the fund manager. A fund may also reserve the right to suspend redemption rights or make in kind distributions in the event of market disruptions. A fund is likely to retain a portion of the redemption proceeds pending the completion of the annual audit of the financial statements of such fund, resulting in considerable delay before the full redemption proceeds are received. Such illiquidity may adversely affect the price and timing of any liquidation of a fund investment entered into by the Hedging Entity for the purposes of hedging that is necessary to meet the requirements of any investment guidelines or tests that the Issuer may have requested. Also, limited liquidity increases the risk that the Issuer may be unable to meet its current obligations during periods of adverse general economic conditions, and insufficient liquidity during the final liquidation of assets of a fund may cause purchasers of the Securities to receive any final distribution after the relevant maturity date.
- (ii) *Reliance on Trading Models:* Some of the strategies and techniques used by the fund manager may employ a high degree of reliance on statistical trading models developed from historical analysis of the performance or correlations of certain companies, securities, industries, countries, or markets. There can be no assurance that historical performance that is used to determine such statistical trading models will be a good indication of future performance of a fund. If future performance or such correlations vary significantly from the assumptions in such statistical models, then the fund manager may not achieve its intended results or investment performance.
- (iii) *Diversification:* The number and diversity of investments held by a fund may be limited, even where such fund holds investments in other funds – particularly where such underlying funds hold similar investments or follow similar investment strategies.
- (iv) *Fund leverage:* The fund manager of a fund may utilise leverage techniques, including the use of borrowed funds, repurchase agreements, swaps and options and other derivative transactions. While such strategies and techniques may increase the opportunity to achieve higher returns on the amounts invested, they will generally also increase the risk of loss.
- (v) *Trading limitations and frequency:* Suspensions or limits for securities listed on a public exchange could render certain strategies followed by a fund difficult to complete or continue. The frequency of a fund's trading may result in portfolio turnover and brokerage commissions that are greater than other investment entities of similar size.
- (vi) *Valuations:* The valuation of a fund is generally controlled by the fund manager. Valuations are performed in accordance with the terms and conditions governing the fund. Such valuations may be based upon the unaudited financial records of the fund and any accounts pertaining thereto. Such valuations may be preliminary calculations

of the net asset values of the fund and accounts. The fund may hold a significant number of investments which are illiquid or otherwise not actively traded and in respect of which reliable prices may be difficult to obtain. In consequence, the fund may vary certain quotations for such investments held by the fund in order to reflect its judgement as to the fair value thereof. Therefore, valuations may be subject to subsequent adjustments upward or downward. Uncertainties as to the valuation of the fund assets and/or accounts may have an adverse effect on the net asset value of the fund where such judgements regarding valuations prove to be incorrect.

- (vii) *Dependence on the Expertise of Key Persons:* The performance of a fund will depend greatly on the experience of the investment professionals associated with the fund manager. The loss of one or more of such individuals could have a material adverse effect on the performance of a fund.

7. **Risks associated with conflicts of interest between the relevant Issuer and holders of Securities**

(a) **Calculations and determinations under the Securities**

In making calculations and determinations with regard to the Securities, there may be a difference of interest between the Securityholders and the Issuer. Save where otherwise provided in the terms and conditions, the Issuer is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular, the Issuer and its affiliated entities may have interests in other capacities (such as other business relationships and activities). Prospective investors should be aware that any determination made by the Issuer may have a negative impact on the value of the Securities.

Each of the Issuer, the Dealer or any of their respective affiliates may have existing or future business relationships with each other (including, but not limited to, lending, depository, derivative counterparty, risk management, advisory and banking relationships), and may pursue actions and take steps that it deems necessary or appropriate to protect its interests arising therefrom without regard to the consequences for a Securityholder.

In addition, an affiliate of the Issuer, Credit Suisse International, will act as Calculation Agent under the Securities. Credit Suisse International shall only have the duties and responsibilities expressly agreed to by it in its capacity as Calculation Agent and shall not be deemed to have any other duties or responsibilities or be deemed to have a standard of care other than as expressly provided. Credit Suisse International in its capacity as Calculation Agent is required to act in good faith and in a commercially reasonable manner but does not have any obligations of agency or trust for any investors and has no fiduciary obligations towards them. In particular, Credit Suisse International in its capacity as Calculation Agent under the Securities will have broad discretionary powers (i) to determine whether certain specified events and/or matters so specified in the Conditions have occurred, and (ii) to determine any resulting adjustments and calculations as described in the Conditions. Any determination made by Credit Suisse International in its capacity as Calculation Agent under the Securities may have a negative impact on the value and financial return of the Securities.

(b) **Hedging and dealing activities in relation to the Securities**

In the ordinary course of its business the Issuer and/or any of its affiliates may effect transactions for its own account or for the account of its customers and may enter into one or

more hedging transactions with respect to the Securities or related derivatives. In connection with such hedging or market-making activities or with respect to proprietary or other trading activities by the Issuer and/or any of its affiliates, the Issuer and/or any of its affiliates may enter into transactions which may affect the market price, liquidity or value of the Securities and which could be adverse to the interest of the relevant Securityholders.

For example, the Issuer (itself or through an affiliate) may hedge the Issuer's obligations under the Securities by purchasing futures and/or other instruments linked to the Asset or the stocks or other components underlying the Asset. The Issuer (or affiliate) may adjust its hedge by, among other things, purchasing or selling any of the foregoing, and perhaps other instruments linked to the Asset or (if applicable) the underlying components, at any time and from time to time, and may unwind the hedge by selling any of the foregoing on or before the maturity date for the Securities. The Issuer (or affiliate) may also enter into, adjust and unwind hedging transactions relating to other securities whose returns are linked to changes in the value of the Asset or (if applicable) the underlying components. Any of these hedging activities may adversely affect the value of the Asset — directly or (if applicable) indirectly by affecting the level, price, rate or other applicable value of underlying components — and therefore the value of the Securities. It is possible that the Issuer (or affiliate) could receive substantial returns with respect to such hedging activities while the value of the Securities may decline.

Moreover, the Issuer (or affiliate) may also engage in trading in the Asset or (if applicable) the underlying components or instruments whose returns are linked to the Asset or (if applicable) the underlying components, for its proprietary accounts, for other accounts under its management or to facilitate transactions, including block transactions, on behalf of customers. Any of these activities of the Issuer (or affiliate) could adversely affect the level, price, rate or other applicable value of the Asset — directly or (if applicable) indirectly by affecting the level, price, rate or other applicable value of the underlying components — and therefore, the value of the Securities. The Issuer (or affiliate) may issue or underwrite, other securities or financial or derivative instruments with returns linked to changes in the value of the Asset or (if applicable) one or more of the underlying components, as applicable. By introducing competing products into the marketplace in this manner, the Issuer (or affiliate) could adversely affect the value of the Securities.

(c) Confidential information relating to the Asset

The Issuer and its affiliates (and any of their employees) may from time to time, by virtue of their status as underwriter, advisor or otherwise, possess or have access to information relating to the Asset and any derivative instruments referencing them. Neither the Issuer or its affiliates will be obliged (and may be subject to legal prohibition) to disclose any such information to an investor in the Securities, even where such information may be material to the decision by an investor as to whether or not to purchase the Securities.

(d) Fee rebate arrangements

The Hedging Entity has entered into fee rebate arrangements with the Asset as of the Issue Date. Securityholders will not have any rights in respect of the fee rebates received by the Hedging Entity. In addition, the existence of such arrangements represents a conflict of interest between the Issuer and/or Hedging Entity and Securityholders as part or all of the amount of the fee rebate received by the Hedging Entity under these arrangements will represent a deduction from the performance of the relevant Asset, which is used to determine

returns under the Securities. It is possible that the Issuer and/or Hedging Entity could receive substantial income from such fee rebate arrangements with respect to such hedging activities while the value of the Securities may decline.

GENERAL TERMS AND CONDITIONS OF THE SECURITIES

The following is the text of the general terms and conditions that, subject to the relevant Asset Terms and the relevant Specific Terms, shall be applicable to the Securities in definitive form (if any) issued in exchange for the Global Security(ies) representing each Series. The full text of these terms and conditions together with the relevant Asset Terms and the relevant Specific Terms shall be endorsed on such Bearer Securities or on the Certificates relating to such Registered Securities. References in the Conditions to "Securities" are to the Securities of one Series only, not to all Securities that may be issued under the Programme.

The Securities (which expression shall include any Securities issued pursuant to General Condition 12) are issued by Credit Suisse AG, acting through its London branch (the "**Issuer**") pursuant to an Agency Agreement (as amended or supplemented as at the Issue Date, the "**Agency Agreement**") dated 2 August 2006 between the Issuer, Credit Suisse AG, acting through its Nassau Branch, JPMorgan Chase Bank, N.A. as fiscal agent and the other agents named in it and with the benefit of a Deed of Covenant (as amended or supplemented as at the Issue Date, the "**Deed of Covenant**") dated 2 August 2006 executed by the Issuer and Credit Suisse AG, acting through its Nassau Branch. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Registrar**", the "**Transfer Agents**" and the "**Calculation Agent(s)**" and together the "**Agents**". The Securityholders (as defined in General Condition 1), the holders of the interest coupons (the "**Coupons**") relating to interest bearing Securities in bearer form and, where applicable in the case of such Securities, talons for further Coupons (the "**Talons**") (the "**Couponholders**") and the holders of the receipts for the payment of instalments of principal (the "**Receipts**") relating to Securities in bearer form of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

Copies of the Agency Agreement and the Deed of Covenant are available for inspection at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

The Securities of any series (a "**Series**") and of any tranche (a "**Tranche**") comprising, together with another Tranche or other Tranches, a Series, are subject to these General Conditions, as completed, modified and/or supplemented by the relevant asset terms relating to the relevant Securities (the "**Asset Terms**") and the specific terms relating to the relevant Securities (the "**Specific Terms**" and together with the Asset Terms, the "**Terms**").

Expressions used herein and not defined shall have the meaning given to them in the relevant Terms.

In the event of any inconsistency between the General Conditions, the Asset Terms and the Specific Terms, the prevailing terms will be determined in accordance with the following order of priority (where (a) prevails over the other terms):

- (a) the Specific Terms;
- (b) the Asset Terms; and
- (c) the General Conditions.

In the event of any inconsistency between the Asset Terms and the General Conditions, the Asset Terms shall prevail over the General Conditions.

References to "**Conditions**" are to the General Conditions as completed, modified and/or supplemented by the Asset Terms and the Specific Terms.

1 Form, Denomination and Title

The Securities are issued in bearer form ("**Bearer Securities**", which expression includes Securities that are specified to be Exchangeable Bearer Securities), in registered form ("**Registered Securities**") or in bearer form exchangeable for Registered Securities ("Exchangeable Bearer Securities") in each case in the Specified Denomination(s).

All Registered Securities shall have the same Specified Denomination. Where Exchangeable Bearer Securities are issued, the Registered Securities for which they are exchangeable shall have the same Specified Denomination as the lowest denomination of Exchangeable Bearer Securities.

So long as the Notes are represented by a temporary Global Note, permanent Global Note or Global Certificate and the relevant clearing system(s) so permit, the Notes shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than one Specified Denomination, the lowest Specified Denomination) provided hereon and integral multiples of the Tradeable Amount provided hereon.

The Securities are Fixed Rate Securities, Floating Rate Securities, Zero Coupon Securities, Instalment Securities or Partly Paid Securities, a combination of any of the foregoing or any other kind of Securities, depending upon the Interest and Redemption/Payment Basis.

Bearer Securities are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Securities in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Securities are issued with one or more Receipts attached.

Registered Securities are represented by registered certificates ("**Certificates**") and, save as provided in General Condition 2(c), each Certificate shall represent the entire holding of Registered Securities by the same holder.

Title to the Bearer Securities and the Receipts, Coupons and Talons shall pass by delivery. Title to the Registered Securities shall pass by registration in the register that the Issuer, shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Security, Receipt, Coupon or Talon 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 on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

"**Securityholder**" means the bearer of any Bearer Security and the Receipts relating to it or the person in whose name a Registered Security is registered (as the case may be), "**holder**" (in relation to a Security, Receipt, Coupon or Talon) means the bearer of any Bearer Security, Receipt, Coupon or Talon or the person in whose name a Registered Security is registered (as the case may be).

2 Exchanges of Exchangeable Bearer Securities and Transfers of Registered Securities

- (a) **Exchange of Exchangeable Bearer Securities:** Subject as provided in General Condition 2(f), Exchangeable Bearer Securities may be exchanged for the same nominal amount of Registered Securities at the request in writing of the relevant Securityholder and upon surrender of each Exchangeable Bearer Security to be exchanged, together with all unmatured Receipts, Coupons and Talons relating to it, at the specified office of any Transfer Agent; provided, however, that where an Exchangeable Bearer Security is surrendered for exchange after the Record Date (as defined in General Condition 6(b)) for any payment of interest, the Coupon in respect of that payment of interest need not be surrendered with it. Registered Securities may not be exchanged for Bearer Securities. Bearer Securities of one Specified Denomination may not be exchanged for Bearer Securities of another Specified Denomination. Bearer Securities that are not Exchangeable Bearer Securities may not be exchanged for Registered Securities.
- (b) **Transfer of Registered Securities:** One or more Registered Securities may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Securities to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Securities represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor.
- (c) **Exercise of Options or Partial Redemption in Respect of Registered Securities:** In the case of an exercise of the Issuer's or Securityholders' option in respect of, or a partial redemption of, a holding of Registered Securities represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Securities of the same holding having different terms, separate Certificates shall be issued in respect of those Securities of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Securities to a person who is already a holder of Registered Securities, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.
- (d) **Delivery of New Certificates:** Each new Certificate to be issued pursuant to General Conditions 2(a), (b) or (c) shall be available for delivery within three business days of receipt of the request for exchange, form of transfer or Exercise Notice (as defined in General Condition 5(e)) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such request for exchange, form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant request for exchange, form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery

and/or such insurance as it may specify. In this General Condition 2(d), "business day" means a day, other than a Saturday or Sunday, on which banks are open for general business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

- (e) **Exchange Free of Charge:** Exchange and transfer of Securities and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).
- (f) **Closed Periods:** No Securityholder may require the transfer of a Registered Security to be registered or an Exchangeable Bearer Security to be exchanged for one or more Registered Security(ies) (i) during the period of 15 days ending on the due date for redemption of, or payment of any Instalment Amount in respect of, that Security, (ii) during the period of 15 days before any date on which Securities may be called for redemption by the Issuer, at its option pursuant to General Condition 5(d), (iii) after any such Security has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date. An Exchangeable Bearer Security called for redemption may, however, be exchanged for one or more Registered Security(ies) in respect of which the Certificate is simultaneously surrendered not later than the relevant Record Date.
- (g) **Regulations:** All transfers of Registered Securities and entries on the Register will be made subject to the detailed regulations concerning transfers of Registered Securities scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar. A copy of the current regulations will be made available by the Registrar to any holder of a Registered Security upon request.

3 Status

The Securities are unsubordinated and unsecured obligations of the Issuer and will rank *pari passu* and rateably without any preference among themselves and equally with all other unsubordinated and unsecured obligations of the Issuer from time to time outstanding (other than obligations preferred by mandatory operation of law).

4 Interest and other Calculations

- (a) **Interest on Fixed Rate Securities:** Each Fixed Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Terms, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount will be payable on the particular Interest Payment Date(s) specified in the relevant Terms.

- (b) **Interest on Floating Rate Securities:**
 - (i) *Interest Payment Dates:* Each Floating Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate

per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. Such Interest Payment Date(s) is/are either Specified Interest Payment Dates or, if there is no Specified Interest Payment Date, Interest Payment Date shall mean each date which falls the number of months or other period specified in the relevant Terms as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

- (iii) *Rate of Interest for Floating Rate Securities:* The Rate of Interest in respect of Floating Rate Securities for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated hereon) the Margin (if any). For the purposes of this sub-paragraph (A), "ISDA Rate" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (x) the Floating Rate Option is as specified in the relevant Terms;
- (y) the Designated Maturity is a period specified in the relevant Terms; and
- (z) the relevant Reset Date is the first day of that Interest Accrual Period.

For the purposes of this sub-paragraph (iii), "Floating Rate", "Calculation Agent" and "Swap Transaction" have the meanings given to those terms in the ISDA Definitions.

- (c) **Interest on Variable Rate Securities:** Each Variable Rate Security bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) in respect of each Interest Period equal to the Rate of Interest in respect of such Interest Period, such interest being payable in arrear on each Interest Payment Date.

The Rate of Interest and the Interest Amount payable shall be calculated by the Calculation Agent on the Interest Determination Date in accordance with General Condition 4(i).

If any date for payment in respect of any Variable Rate Security is not a business day (as defined in General Condition 6(h)), there shall be no adjustment to the duration of the relevant Interest Period and the holder of the relevant Security, Receipt or Coupon shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment

- (d) **Zero Coupon Securities:** Where a Security the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Security. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Security shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in General Condition 5(b)(i)).
- (e) **Partly Paid Securities:** In the case of Partly Paid Securities (other than Partly Paid Securities which are Zero Coupon Securities), interest will accrue as aforesaid on the paid-up nominal amount of such Securities and otherwise as specified in the relevant Terms.
- (f) **Accrual of Interest:** Interest shall cease to accrue on each Security on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgement) at the Rate of Interest in the manner provided in this General Condition 4 to the Relevant Date (as defined in General Condition 7).
- (g) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding:**
 - (i) If any Margin or Rate Multiplier is specified in the relevant Terms (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (b) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph.
 - (ii) If any Maximum or Minimum Rate of Interest, or Instalment Amount or Final Redemption Amount is specified in the relevant Terms, then any Rate of Interest, or Instalment Amount, or Final Redemption Amount shall be subject to such maximum or minimum, as the case may be.
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "unit" means the lowest transferable amount of such currency.

- (h) **Calculations:** The amount of interest payable in respect of any Security for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Security by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Security for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (i) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts and Instalment Amounts:** On such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Securities for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or Instalment Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount, Optional Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Relevant Branch (if the Issuer, is not the Calculation Agent) each of the Paying Agents, the Securityholders, any other Calculation Agent appointed in respect of the Securities that is to make a further calculation upon receipt of such information. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to General Condition 4(b)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Securities become due and payable under General Condition 9, the accrued interest and the Rate of Interest payable in respect of the Securities shall nevertheless continue to be calculated as previously in accordance with this General Condition 4 but no publication of the Rate of Interest or the Interest Amount so calculated need be made.
- (j) **Definitions:** Unless the context otherwise requires, the following terms shall have the meanings set out below:

"Business Day" means:

- (i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or
- (ii) in the case of euro, a day on which the TARGET2 system is operating (a **"TARGET Business Day"**); and/or
- (iii) in the case of a currency and/or one or more Additional Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres;

"Day Count Fraction" means, in respect of the calculation of an amount of interest on any Security for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the "Calculation Period"):

- (i) if "Actual/365" or "Actual/Actual - ISDA" is specified in the relevant Terms, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the relevant Terms, the actual number of days in the Calculation Period divided by 365;
- (iii) if "Actual/360" is specified in the relevant Terms, the actual number of days in the Calculation Period divided by 360;
- (iv) if "30/360", "360/360" or "Bond Basis" is specified in the relevant Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));
- (v) if "30E/360" or "Eurobond Basis" is specified in the relevant Terms, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month); and
- (vi) if "Actual/Actual-ICMA" is specified in the relevant Terms:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - (x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

- (y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year;

where:

"Determination Period" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"Determination Date" means the date specified as such in the relevant Terms or, if none is so specified, the Interest Payment Date;

"Interest Accrual Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date;

"Interest Amount" means the amount of interest payable, and in the case of Fixed Rate Securities, means the Fixed Coupon Amount or Broken Amount, as the case may be;

"Interest Commencement Date" means the Issue Date or such other date as may be specified in the relevant Terms;

"Interest Period" means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;

"Interest Period Date" means each Interest Payment Date unless otherwise specified in the relevant Terms;

"ISDA Definitions" means the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as made available by the Issuer to any holder of the Security upon request;

"Rate of Interest" means the rate of interest payable from time to time in respect of the Securities; and

"TARGET2 System" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System or any successor thereto.

5 Redemption, Purchase and Options

(a) Redemption by Instalments and Final Redemption:

- (i) Unless previously redeemed, purchased and cancelled as provided in this General Condition 5 or the relevant Instalment Date is extended pursuant to any Issuer's or Securityholder's option in accordance with General Condition 5(d) or 5(e), each Security that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified hereon. The outstanding nominal amount of each such

Security shall be reduced by the Instalment Amount (or, if such Instalment Amount is calculated by reference to a proportion of the nominal amount of such Security, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (ii) Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any Issuer's or Securityholder's option in accordance with General Condition 5(d) or 5(e), each Security shall be finally redeemed on the Maturity Date at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Security falling within paragraph (i) above, its final Instalment Amount.
- (b) **Early Redemption:**
- (i) *Zero Coupon Securities:*
 - (A) The Early Redemption Amount payable in respect of any Zero Coupon Security, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Security pursuant to General Condition 5(c) or upon it becoming due and payable as provided in General Condition 9 shall be the Amortised Face Amount (calculated as provided below) of such Security unless otherwise specified in the relevant Terms.
 - (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Face Amount of any such Security shall be the scheduled Final Redemption Amount of such Security on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is specified, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Securities if they were discounted back to their issue price on the Issue Date) compounded annually.
 - (C) If the Early Redemption Amount payable in respect of any such Security upon its redemption pursuant to General Condition 5(c) or upon it becoming due and payable as provided in General Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Security shall be the Amortised Face Amount of such Security as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Security becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Security on the Maturity Date together with any interest that may accrue in accordance with General Condition 4(c).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction.

- (ii) *Other Securities:* The Early Redemption Amount payable in respect of any Security (other than Securities described in (i) above), upon redemption of such Security pursuant to General Condition 5(c) or upon it becoming due and payable as provided in General Condition 9, shall, unless otherwise specified in the relevant Terms, be the amount determined by the Calculation Agent that, in the case of redemption pursuant to General Condition 5(c) on the fifth Business Day in London prior to the due date for redemption or, in the case of redemption pursuant to General Condition 9, on the due date for redemption of such Security has the effect of preserving for the holder of such Security the economic equivalent of the obligation of the Issuer, to make payments of principal and interest in respect of such Security that would, but for such redemption, have fallen due after such date.
- (c) **Redemption for Illegality Reasons:** The Securities may be redeemed at the option of the Issuer, in whole, but not in part, at any time, on giving not less than 15 nor more than 60 days' notice to the Fiscal Agent and, in accordance with General Condition 13, the Securityholders (which notice shall be irrevocable), if the Issuer shall have determined in good faith that the performance of any of its obligations under the Securities or that any arrangements made to hedge its position under the Securities shall have or will become unlawful, illegal or otherwise prohibited in whole or in part as a result of compliance with any applicable present or future law, rule regulation, judgment, order or directive of any government, administrative, legislative or judicial authority or power, or any change in the interpretation thereof. Each Security redeemed pursuant to this General Condition 5(c) will be redeemed at its Early Redemption Amount.
- (d) **Redemption at the Option of the Issuer and Exercise of Issuer's Options:** If Call Option is specified in the relevant Terms, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Securityholders (or such other notice period as may be specified in the relevant Terms) redeem, or exercise the Issuer's option (as may be described in the relevant Terms) in relation to, all or, if so provided, some, of the Securities on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Securities shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Securities of a nominal amount at least equal to the minimum nominal amount to be redeemed specified hereon and no greater than the maximum nominal amount to be redeemed specified hereon.

All Securities in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this General Condition.

In the case of a partial redemption or a partial exercise of the Issuer's option, the notice to Securityholders shall also contain the certificate numbers of the Securities to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws or relevant authority requirements.

- (e) **Redemption at the Option of Securityholders and Exercise of Securityholders' Options:** If Put Option is specified in the relevant Terms, the Issuer, shall, at the option of the holder of any such Security, upon the holder of such Security giving not less than 15 nor more than 30 days' notice to the Relevant Branch (or such other notice period as may be specified hereon) redeem such Security on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption.

To exercise such option or any other Securityholders' option that may be set out in the Terms (which must be exercised on an Option Exercise Date) the holder must deposit (in the case of Bearer Securities) such Security (together with all unmatured Receipts and Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Securities) the Certificate representing such Security(ies) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("Exercise Notice") in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the notice period. No Security or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

- (f) **Partly Paid Securities:** Partly Paid Securities will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this General Condition and the provisions specified hereon.
- (g) **Purchases:** The Issuer, any Subsidiary and/or any Affiliate of the Issuer may at any time purchase Securities (provided that all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price and may hold or recall them or surrender them as provided below for cancellation. References to "Affiliate" include any entity controlled, directly or indirectly, by the Issuer, any entity that controls, directly or indirectly, the Issuer and any entity under common control with the Issuer. References to "Subsidiary" mean a subsidiary as defined in Section 736 of the Companies Act 1985, as amended by Section 144 of the Companies Act 1989. As used herein, "control" means ownership of a majority of the voting power of the entity or, as the case may be, the Issuer and "controlled by" and "controls" shall be construed accordingly.
- (h) **Cancellation:** Securities purchased by or on behalf of the Issuer or any of its Subsidiaries or Affiliates may be surrendered for cancellation, in the case of Bearer Securities, by surrendering each such Security together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Securities, by surrendering the Certificate representing such Securities to the Registrar and, in each case, if so surrendered, shall, together with all Securities redeemed by the Issuer, be cancelled forthwith (together with all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Securities so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer in respect of any such Securities shall be discharged.
- (i) **Reference to Principal:** References to principal shall be deemed to include, wherever the context so admits, any amounts payable under the Securities other than by way of interest.

6 Payments and Talons

- (a) **Bearer Securities:** Payments of principal and interest in respect of Bearer Securities shall, subject as mentioned below, be made against presentation and surrender of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Security), Securities (in the case of all other payments of principal and, in the case of interest, as specified in General Condition 6(f)(vi)) or Coupons (in the case of interest, save as specified in General Condition 6(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the Settlement Currency drawn on, or, at the option of the holder, by transfer to an account denominated in the Settlement Currency with, a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System.
- (b) **Registered Securities:**
- (i) Payments of principal (which for the purposes of this General Condition 6(b) shall include final Instalment Amounts but not other Instalment Amounts) in respect of Registered Securities shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below, subject to Condition 6(b)(iii).
 - (ii) Interest (which for the purpose of this General Condition 6(b) shall include all Instalment Amounts other than final Instalment Amounts) on Registered Securities shall be paid to the person shown on the Register at the close of business on the fifteenth day or (in the case of Registered Notes registered in the name of, or in the name of a nominee for, The Depository Trust Company ("**DTC**")), the fifteenth DTC business day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Security shall be made, subject to Condition 6(b)(iii), in the Settlement Currency by cheque drawn on a bank and mailed to the holder (or to the first-named of joint holders) of such Security at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the Settlement Currency specified by the payee with a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the TARGET System. For the purposes of this Condition 6(b), "**DTC business day**" means any day on which DTC is open for business.
 - (iii) Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, The Depository Trust Company ("**DTC**") and denominated in U.S. dollars will be made in accordance with Conditions 6(b)(i) and (ii). Payments of principal and interest in respect of Registered Notes registered in the name of, or in the name of a nominee for, DTC and denominated in a Specified Currency other than U.S. dollars will be made or procured to be made by the Fiscal Agent in the relevant Specified Currency in accordance with the following provisions. The amounts in such Specified Currency payable by the Fiscal Agent or its agent to DTC with respect to Registered Notes held by DTC or its nominee will be received from the Issuer by the Fiscal Agent who will make payments in such Specified Currency by wire transfer of same day funds to the designated bank account in such Specified

Currency of those DTC participants entitled to receive the relevant payment who have made an irrevocable election to DTC, in the case of interest payment, on or prior to the third DTC business day after the Record Date for the relevant payment of interest and, in the case of payments of principal, at least 12 DTC business days prior to the relevant payment date, to receive that payment in such Specified Currency. The Fiscal Agent, after the Exchange Agent has converted amounts in such Specified Currency into U.S. dollars, will deliver such U.S. dollar amount in same day funds to DTC for payment through its settlement system to those DTC participants entitled to receive the relevant payment who did not elect to receive such payment in such Specified Currency. The Agency Agreement sets out the manner in which such conversions are to be made.

- (c) **Payments in the United States:** Notwithstanding the foregoing, payments in respect of Bearer Securities of which the Settlement Currency is U.S. dollars may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer, shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Securities in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of General Condition 7. No commission or expenses shall be charged to the Securityholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer, and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent act solely as agents of the Issuer and do not assume any obligation or relationship of agency or trust for or with any Securityholder or Couponholder. The Issuer, reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent and to appoint additional or other Paying Agents or Transfer Agents, provided that the Issuer, shall at all times maintain (i) a Fiscal Agent, (ii) a Registrar in relation to Registered Securities, (iii) a Transfer Agent in relation to Registered Securities and (iv) a Paying Agent with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to any European Union Directive on the taxation of savings implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

In addition, the Issuer, shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Securities of which the Settlement Currency is U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Securityholders.

(f) Unmatured Coupons and Receipts and unexchanged Talons:

- (i) Unless the Securities provide that the relative Coupons are to become void upon the due date for redemption of those Securities, Bearer Securities should be surrendered for payment together with all unmaturing Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmaturing Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmaturing Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to General Condition 8).
 - (ii) If the Securities so provide, upon the due date for redemption of any Bearer Security, unmaturing Coupons relating to such Security (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Bearer Security, any unexchanged Talon relating to such Security (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Bearer Security that is redeemable in instalments, all Receipts relating to such Security having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Bearer Security provides that the relative unmaturing Coupons are to become void upon the due date for redemption of those Securities is presented for redemption without all unmaturing Coupons, and where any Bearer Security is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer, may require.
 - (vi) If the due date for redemption of any Security is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Security or Certificate representing it, as the case may be. Interest accrued on a Security that only bears interest after its Maturity Date shall be payable on redemption of such Security against presentation of the relevant Security or Certificate representing it, as the case may be.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Security, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to General Condition 8).

- (h) **Non-Payment Business Days:** If any date for payment in respect of any Security, Receipt or Coupon is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment. In this paragraph, "Payment Business Day" shall have the meaning given to such term in the Asset Terms.

7 Taxation

The Issuer is not liable for or otherwise obliged to pay, and the relevant Securityholder or Couponholder (as applicable) shall pay, any tax, duty, charges, withholding or other payment which may arise as a result of, or in connection with, the ownership, transfer, redemption or enforcement of any Security, including, without limitation, the payment of any amount thereunder. The Issuer shall have the right to withhold or deduct from any amount payable to the Securityholder such amount (a) for the payment of any such taxes, duties, charges, withholdings or other payments or (b) for effecting reimbursement to the Issuer for any payment by it of any tax, duty, charge, withholding or other payment referred to in this General Condition 7.

8 Prescription

Claims against the Issuer for payment in respect of the Securities, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

9 Events of Default

If any one or more of the following events (each, an "**Event of Default**") has occurred and is continuing:

- (a) default is made in the payment on the date of any interest or principal in respect of any of the Securities, and such default continues for a period of 30 days; or
- (b) the Issuer declares itself or becomes insolvent or enters into a general assignment or composition with or for the benefit of its creditors, or is wound up or dissolved save for a reorganisation involving the assumption by any corporation of all the Issuer's liabilities under the Securities,

then the holder of any Security may by notice in writing given to the Fiscal Agent at its specified office, declare such Security immediately due and payable as of the date on which such notice is received by the Fiscal Agent and such Security shall become redeemable at its Early Redemption Amount unless prior to the time that the Fiscal Agent receives such notice, the Issuer, shall have cured or otherwise made good all relevant Events of Default in respect of the Securities. The Early Redemption Amount shall be payable by the Issuer as soon as is possible following its determination.

10 Meeting of Securityholders and Modifications

- (a) **Meetings of Securityholders:** The Agency Agreement contains provisions for convening meetings of Securityholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions. Such a meeting may be convened by Securityholders holding not less than one tenth in nominal amount of the Securities for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or

representing a clear majority in nominal amount of the Securities for the time being outstanding, or at any adjourned meeting two or more persons being or representing Securityholders whatever the nominal amount of the Securities held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Securities, any Instalment Date or any date for payment of interest or Interest Amounts on the Securities, (ii) to reduce or cancel the nominal amount of, or any other amount payable or deliverable on redemption of, the Securities, (iii) to reduce the rate or rates of interest in respect of the Securities or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Securities, (iv) if a Minimum and/or a Maximum Rate of Interest, Instalment Amount or Final Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early Redemption Amount, the Optional Redemption Amount or any other amount payable on the Securities or deliverable in respect of the Securities, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Securities, (vii) to take any steps that as specified hereon may only be taken following approval by an Extraordinary Resolution to which the special quorum provisions apply or (viii) to modify the provisions concerning the quorum required at any meeting of Securityholders or the majority required to pass the Extraordinary Resolution, in which case the necessary quorum shall be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in nominal amount of the Securities for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Securityholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

- (b) **Modification of Agency Agreement:** The Issuer, shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement if to do so could not reasonably be expected to be prejudicial to the interests of the Securityholders.
- (c) **Modification of Conditions:** The Issuer may modify the Conditions without the consent of Securityholders for the purposes of curing any ambiguity or correcting or supplementing any provision contained in them in any manner which the Issuer may deem necessary or desirable provided that such modification is not, in the determination of the Issuer, materially prejudicial to the interests of the Securityholders. Notice of such modification will be given to Securityholders in accordance with the General Conditions.

11 Replacement of Securities, Certificates, Receipts, Coupons and Talons

If a Security, Certificate, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Securities, Receipts, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer, for the purpose and notice of whose designation is given to Securityholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Security, Certificate, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer, on demand the amount payable by the Issuer, in respect of such Securities, Certificates, Receipts, Coupons or

further Coupons) and otherwise as the Issuer, may require. Mutilated or defaced Securities, Certificates, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12 Further Issues

The Issuer, may from time to time without the consent of the Securityholders or Couponholders create and issue further Securities having the same terms and conditions as the Securities (so that, for the avoidance of doubt, references in the conditions of such Securities to "Issue Date" shall be to the first issue date of the Securities) and so that the same shall be consolidated and form a single series with such Securities, and references in these Conditions to "Securities" shall be construed accordingly.

13 Notices

Notices to the holders of Registered Securities shall be published in accordance with the procedure set out in this General Condition for Bearer Securities and shall also be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices to the holders of Bearer Securities shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*) or in accordance with the requirements of any applicable law. If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once, on the date of the first publication as provided above.

So long as any Securities are represented by a Global Security and such Global Security is held on behalf of a clearing system, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security.

In respect of Securities that are listed on the Official List of the Luxembourg Stock Exchange, all notices to the holders of the Securities may be given by publishing such notice on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Securities in accordance with this General Condition.

14 Calculations and Determinations

The calculations and determinations of the Issuer, or Calculation Agent shall be made in accordance with the Conditions having regard in each case to the criteria stipulated herein and (where relevant) on the basis of information provided to or obtained by employees or officers of the Issuer or Calculation Agent responsible for making the relevant calculation or determination and shall, in the absence of manifest error, be final, conclusive and binding on Securityholders and Couponholders.

See also Asset Term Condition 2 (*Calculations and Determinations*).

15 Substitution and Merger of the Issuer

(a) Substitution of Branch:

Credit Suisse AG ("**Bank**") may at any time, without the consent of the Securityholders, substitute for the London branch (the "**Relevant Branch**"), or for any previous Substitute

Branch (as defined below), any other branch of Credit Suisse AG as the branch through which it is acting in relation to the Securities (the "**Substitute Branch**"), provided that no payment in respect of the Securities is overdue. In the event that the Relevant Branch, or the then Substitute Branch, should cease to exist, such a substitution shall be effected prior to the cessation of operations by the Relevant Branch or such Substitute Branch, as the case may be. Such substitution shall be permitted only if:

- (i) the Substitute Branch shall agree to indemnify each Securityholder whose Security was issued by the related predecessor Branch against (A) any taxes, duties, assessments or governmental charges of whatever nature which are imposed on such holder with respect to such Security, and which would not have been so imposed had such substitution not been made, (B) any taxes, duties, assessments or governmental charges of whatever nature imposed on or relating to the act of substitution and (C) any costs or expenses of the act of substitution;
- (ii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Securities issued by the related predecessor Branch represent valid, legally binding and enforceable obligations of the Bank, acting through such Substitute Branch, shall have been taken, fulfilled and done; and
- (iii) the Substitute Branch and the Bank shall have obtained legal opinions from independent legal advisers of recognised standing in the Substitute Branch's country of domicile or residence for taxation purposes, Switzerland and England (in the case where the Relevant Branch is the London Branch) or the Bahamas (in the case where the Relevant Branch is the Nassau Branch) that the substitution is legal, valid and binding and that all action, conditions and things as aforesaid have been taken, fulfilled and done.

Not more than 30 nor less than 15 days prior to the effective date of such substitution, the Bank shall procure the notification to the Securityholders whose Securities were issued by the related predecessor Branch, in accordance with General Condition 13, of such substitution, stating that copies, or pending execution thereof final drafts, of all relevant documents relating to such substitution and of the legal opinions are available for inspection by such Securityholders at the specified offices of the Paying Agents. The originals of all relevant documents relating to such substitution will be delivered to the Fiscal Agent to hold until there are no claims outstanding in respect of such Securities.

Upon such substitution becoming effective, references in the relevant Terms to the United Kingdom (in the case where the Relevant Branch is the London Branch) or the Bahamas (in the case where the Relevant Branch is the Nassau Branch) shall be deemed to be replaced by references to the Substitute Branch's country of domicile and, if different, the Substitute Branch's country of residence for taxation purposes.

- (b) **Substitution in Place of the Bank:** The Bank, or any previous substituted company, may at any time, without the consent of the Securityholders, substitute for itself as principal debtor under the Securities an affiliate of the Bank having an equal or higher long-term unsecured debt rating than that of the Bank given by Moody's Investors Service, Inc. (or an equivalent rating from another internationally recognised rating agency) or having the benefit of a guarantee from the Bank or another affiliate of the Bank with such a debt rating (the "**Substitute**"), provided that no payment in respect of the Securities is at the relevant

time overdue. The substitution shall be made by a deed poll (the "**Deed Poll**") and may take place only if (i) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll and the Securities represent valid, legally binding and enforceable obligations of the Substitute have been taken, fulfilled and done and are in full force and effect, (ii) either the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, or a similar arrangement with equivalent effect shall have been entered into and (iii) the Bank shall have given at least 14 days' prior notice of such substitution to the Securityholders, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution which might reasonably be regarded as material to Securityholders, will be available for inspection at the specified office of each of the Paying Agents and, if different, the country of tax residence of the assuming company.

- (c) **Merger of the Bank:** The Bank may, without the consent of the Securityholders, consolidate with or merge into or sell, lease, transfer or convey all or substantially all of its property to another corporation, entity or person provided that the successor corporation, entity or person assumes all obligations of the Bank under the Securities.

16 Third Parties

No person shall have any right to enforce any term or condition of the Securities under the Contracts (Rights of Third Parties) Act 1999 except and to the extent (if any) that the Securities expressly provide for such Act to apply to any of their terms.

17 Miscellaneous Definitions

Reference to "**AUD**" are to Australian dollars, references to "**CAN**" and "**CAD**" are to Canadian dollars, references to "**DKr**" are to Danish Krone, references to "**EUR**" and "**€**" are to euro, references to "**GBP**" and "**£**" are to pounds sterling, references to "**HK\$**" and "**HKD**" are to Hong Kong dollars, references to "**JPY**" and "**¥**" are to Japanese yen, references to "**Nkr**" and "**NOK**" are to Norwegian Kroner, references to "**SKr**" and "**SEK**" are to Swedish Kronor, references to "**CHF**" and "**Sfr**" are to Swiss Francs and references to "**USD**" and "**U.S.\$**" are to United States dollars.

18 Governing Law and Jurisdiction

The Agency Agreement, the Global Security, the Securities and any non-contractual obligations arising out of or in relation to them are governed by, and shall be construed in accordance with, English law.

The Issuer, irrevocably agrees for the exclusive benefit of the Securityholders that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Securities and that accordingly any suit, action or proceedings arising out of or in connection therewith (together referred to as "**Proceedings**") may be brought in the courts of England.

The Issuer, irrevocably and unconditionally waives and agrees not to raise any objection which it may have now or subsequently to the laying of the venue of any Proceedings in the courts of England and any claim that any Proceedings have been brought in an inconvenient forum and irrevocably and unconditionally agrees that a judgment in any Proceedings brought in the courts of England shall be conclusive and binding upon the Issuer and may be enforced in the courts of any other jurisdiction. Nothing in this General Condition 18 shall limit any right to take Proceedings against the Issuer in any

other court of competent jurisdiction, nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction, whether concurrently or not.

The Bank appoints its London Branch as its agent for service of process in England in respect of any Proceedings.

ASSET TERMS

*The following asset terms and conditions (the "**Asset Terms**") shall apply to the Securities. Capitalised terms used but not otherwise defined herein shall have the meanings given to them in the General Conditions and/or the Specific Terms.*

PART A

1 Asset Events

1.1 Asset Substitution

(a) Asset Substitution Events

An "Asset Substitution Event" means and shall have occurred if, in the determination of the Calculation Agent:

- (i) a Fund Substitution Event has occurred; or
- (ii) the Asset does not comply with the Inclusion Conditions.

If an Asset Substitution Event has occurred in respect of the Asset, then the Issuer may, in its sole discretion acting in a commercially reasonable manner:

- (i) waive such Asset Substitution Event;
- (ii) take either or both of the following actions by providing notice to the Securityholders in accordance with General Condition 13 (*Notices*):
 - (A) make any adjustment (including with retrospective effect) it deems appropriate to any Calculation Item as a result of such an event in compensation for a Hypothetical Investor to reflect the risk that it would take in holding the Asset or other financial instrument as a hedge for the Securities (including, without limitation, following a substitution in accordance with sub-paragraph (B) below), provided that any such adjustment shall not reduce the Final Redemption Amount in respect of each Security (of the Specified Denomination) below 100 per cent. (100%) of the Specified Denomination; and/or
 - (B) substitute (including with retrospective effect) the Asset with one or more funds (each a "**Substitute Asset**") that comply with the Inclusion Conditions, which the Calculation Agent determines has a similar risk profile and fee rebate arrangement to the Asset subject to the Asset Substitution Event; or
- (iv) declare a Defeasance Date by providing notice to the Securityholders in accordance with General Condition 13 (*Notices*).

(b) Consequences of substitution

As of such date of substitution of the Asset with a Substitute Asset ("**Substitution Valuation Date**"), such Substitute Asset will be deemed to be the Asset for the purposes of these Asset Terms.

(c) Consequences of declaration of Defeasance Date

Following the declaration of a Defeasance Date:

- (i) the final Interest Payment Date shall be the Interest Payment Date (if any) immediately preceding the Defeasance Date and no further Interest Amounts shall be payable with effect from the Defeasance Date; and
- (ii) the Defeasance Additional Maturity Amount shall be payable by the Issuer in respect of each Security (of the Specified Denomination) on the Maturity Date (for the avoidance of doubt, together with the Final Redemption Amount).

(d) **Related definitions**

"Fund Substitution Event" means and shall have occurred if, in the determination of the Calculation Agent, (i) any of the following events occurs on or after the Trade Date in respect of investors in the Asset generally, or such event actually occurs with respect to the Hedging Entity or (ii) publication of a notice or other dissemination of information in respect of the Asset which indicates that any such event will occur on or after the Trade Date:

- (i) in respect of the Asset, any of the following events:
 - (A) the winding-up, dissolution, liquidation or other cessation of trading of the Asset, or any Service Provider, unless the affected Service Provider is replaced with a successor acceptable to the Calculation Agent;
 - (B) any litigation, arbitration, investigation, proceeding and/or regulatory or governmental action is commenced and is continuing in relation to the activities of the Asset, or any Service Provider, for reasons of any alleged wrongdoing, breach of any rule or any regulation or other similar reason, which allegation would, if true, in the determination of the Calculation Agent, have a material adverse effect on the Asset Value;
 - (C) loss of an applicable licence or regulatory authorisation applying to the Asset or any Service Provider (unless the Calculation Agent determines that such event is immaterial);
 - (D) the instigation or resolution of any legal action, arbitration or equivalent measure (including as a result of any allegation of fraud or misdealing) or the resolution of any material legal action, arbitration or equivalent measure (including when instigated prior to the Trade Date) against the Asset or any Service Provider which proceedings, if successful, would, in the determination of the Calculation Agent, have a material adverse effect on the Asset Value;
 - (E) a material change (as determined by the Calculation Agent) to the legal constitution or management of the Asset including, but not limited to, a change in the Fund Manager, or a material change in the Asset's or Fund Manager's organisation or management (including, but not limited to, a merger or other reorganisation event) which materially alters the nature of the Asset or the nature and role of the Fund Manager in relation to the Asset;

- (F) a material modification (as determined by the Calculation Agent) of the provisions relating to investment objectives, strategies, restrictions and requirements of the Asset as set out in the Asset's Prospectus (the **"Investment Objective and Strategy"**);
 - (G) a material breach (as determined by the Calculation Agent) of the Investment Objective and Strategy and such breach has not been cured within 15 calendar days to the satisfaction of the Calculation Agent;
 - (H) a material breach (as determined by the Calculation Agent) of the Investment Objective and Strategy provided that the cure period stated in (G) above therein shall not apply in respect of any third or subsequent breach;
 - (I) the aggregate net asset value of the Asset decreases by more than 40 per cent. since the Initial Valuation Date, as determined by the Calculation Agent;
 - (J) the aggregate net asset value of assets managed by the Fund Manager decreases by more than 40 per cent. since the Initial Valuation Date, as determined by the Calculation Agent;
 - (K) the Asset's accounting currency changes;
 - (L) the Asset adopts series accounting or equalisation treatment or another similar mechanism, such that the Hedging Entity is not able to make a single unitised investment in the Asset equivalent to the single unitised investment used in the calculation of the Official Net Asset Value, unless such application has been agreed by the Hedging Entity;
 - (M) a material breach (as determined by the Calculation Agent) by the Fund Manager or any affiliate of the Fund Manager of any agreement with the Hedging Entity in place on the Issue Date in relation to the hedging of the Securities; or
 - (N) any Asset Disruption Event exists and subsists as of the expiration of the number of days subsequent to the Disrupted Valuation Date equal to the Asset Disruption Period and the Calculation Agent has declared an Asset Substitution Event in accordance with Asset Term 1.2(a).
- (ii) in respect of the Asset, any of the events set out in sub-paragraphs (A) to (G) below that is not remedied reasonably promptly by the Asset (or within the applicable cure periods specified below) to the reasonable satisfaction of the Calculation Agent and that, in the sole determination of the Calculation Agent acting in good faith and in a commercially reasonable manner, has a material effect on the ability of the Hedging Entity to hedge its obligations in respect of the Securities.

Liquidity

- (A) a mandatory redemption occurs (in whole or in part) of any holding of the Asset Units by the Hedging Entity;
- (B) the Asset charges the Hedging Entity a transaction fee or equivalent for purchases and/or disposals of Asset Units;

- (C) the Hedging Entity is unable to invest in or liquidate Asset Units on a Dealing Day;
- (D) the subscription or redemption terms in respect of the Asset provide (I) for subscriptions or redemptions less frequently than the Subscription Frequency and Redemption Frequency, respectively, stated in the Subscription Table and the Redemption Table below, (II) for notification periods in respect of subscriptions or redemptions longer than the Subscription Notice Period and Redemption Notice Period, respectively, as stated in the Subscription Table and the Redemption Table below, and (III) for settlement periods in respect of redemptions longer than that provided in the column entitled "Redemption Settlement" in the Redemption Table below:

Subscription Table:

Subscription Frequency	Subscription Notice Period
Daily	One Asset Business Day

Redemption Table:

Redemption Frequency	Redemption Notice Period	Redemption Settlement
Daily	One Asset Business Days	Two Payment Business Days following the Dealing Day

Where "**Dealing Day**" means the scheduled day on which the Asset effects the redemption or subscription of the Asset Units as stated in the Asset's Prospectus.

Implementation of taxes and of other charges

- (E) the Asset suffers a material adverse change in its legal, accounting, regulatory or tax treatment that would or does adversely affect the Hedging Entity as holder of the Asset Units or the Hedging Entity becomes subject to taxes or other similar fees payable in respect of subscriptions or redemptions of the Asset Units and, in each case, such change has not been cured within 30 calendar days, provided that the Hedging Entity has used reasonable efforts to mitigate any such effect;

Change in law

- (F) as a result of (I) any adoption of, or change in, law or regulation or its interpretation, or (II) any determination of a regulatory or taxation authority applicable to the Hedging Entity or the Asset, whereupon: (x) it becomes unlawful or prohibited for the Hedging Entity (including any adverse change in

restrictions imposed on the Hedging Entity) to hold, purchase, sell, redeem or otherwise create, transfer or receive any interest in the Asset; or (y) there would be a material decline in Asset Value; or

Reporting obligations

- (G) the Asset, in the determination of the Calculation Agent, materially breaches any reporting obligations set out in the Prospectus of the Asset.

"Defeasance Additional Maturity Amount" means the amount in the Specified Currency greater than or equal to zero, determined by the Issuer as of the Defeasance Date, and equal to (i) the prevailing fair market value per Security which the Issuer, acting in a commercially reasonable manner, would quote to a market participant for the repurchase (against a payment on the Maturity Date) of securities with the same terms as the Securities, less (ii) an amount equal to the Final Redemption Amount. The calculation of the Defeasance Additional Maturity Amount is to be determined in the sole discretion of the Issuer acting in a commercially reasonable manner and, notwithstanding anything contained elsewhere in these Conditions, shall take into account the impact on the Asset Value of any events relating to the Asset in such manner as the Issuer sees fit, including, without limitation, the impact of any Asset Disruption Event, Asset Substitution Event or Asset Adjustment Event that has occurred or is continuing in respect of the Asset.

"Defeasance Date" means the date declared by the Issuer on which it will calculate the Defeasance Additional Maturity Amount, as notified to Securityholders in accordance with General Condition 13 (*Notices*).

1.2 Asset Disruption

(a) Asset Disruption Events

Where the Calculation Agent determines that an Asset Disruption Event has occurred in respect of a Valuation Day (the **"Disrupted Valuation Day"**), the Calculation Agent may, by providing notice to the Securityholders in accordance with General Condition 13 (*Notices*), choose to:

- (i) make any calculation, determination or adjustment of any variable in respect of the Securities and make any payment (in cash or other consideration), using an estimate of such variable determined in a commercially reasonable manner provided that:
 - (a) such estimate shall take into account an amount, as determined by the Calculation Agent, in compensation for a Hypothetical Investor to reflect the risk that it would take in holding any Asset Units or other financial instrument as a hedge for the Securities but which it is unable to redeem or liquidate into cash in full and without any restriction imposed whatsoever as of, or at any time after, the Disrupted Valuation Day; and
 - (b) such estimate, calculation, determination or adjustment shall not reduce the Final Redemption Amount in respect of each Security (of the Specified Denomination) below 100 per cent. (100%) of the Specified Denomination; or
- (ii) not make any payment or calculation in respect of the Disrupted Valuation Day and such Disrupted Valuation Day shall be postponed, until the Calculation Business Day

in respect of which an Asset Disruption Event ceases to exist (such Valuation Day being the "**Postponed Valuation Day**").

The Calculation Agent may, by providing notice to the Securityholders in accordance with General Condition 13 (*Notices*), declare an Asset Substitution Event where any Asset Disruption Event exists and subsists as of the expiration of a number of days subsequent to the Disrupted Valuation Day equal to the Asset Disruption Period.

Where the Postponed Valuation Day falls or, in the determination of the Calculation Agent, is expected to fall, on or after any interim payment date and/or the Maturity Date then the respective interim payment date and/or Maturity Date shall be postponed until the third Payment Business Day after the latest date on which the Hypothetical Investor would receive in full the proceeds in cash in respect of the redemption of the Asset that it would hold as a hedge for the Securities unless the Issuer determined that an amount can be paid earlier by the Issuer.

(b) **Related definitions**

"Asset Disruption Event(s)" means any of a Fund Disruption Event and a Market Disruption Event.

"Asset Disruption Period" means 14 calendar days.

"Fund Disruption Event" means any of the following events in respect of the Asset:

- (i) a failure, suspension or postponement in the reporting or publishing of the Official Net Asset Value in respect of the Asset as regularly scheduled taking into account the relevant cure period, or any event that prevents the Official Net Asset Value in respect of the Asset so published from being received by the people to whom it is published, whereby such event is, in the determination of the Calculation Agent, material;
- (ii) any circumstances where, although the Official Net Asset Value of the Asset is published:
 - (A) the Calculation Agent determines that such value is not accurate or that any transaction in respect of the Asset could not be transacted at such value or with a cash consideration in full, and to be received as regularly scheduled (provided that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of an Asset Adjustment Event); and
 - (B) the Calculation Agent notifies the Fund Manager of its determination in subparagraph (A) above, and the Fund Manager does not remedy this to the satisfaction of the Calculation Agent within two Calculation Business Days;
- (iii) the inability of a Hypothetical Investor, if holding Asset Units as a hedge for the Securities, to liquidate the Asset Units or any other interest received by the Asset when scheduled (including any change to the notice period to redemption or subscriptions, any gating, side-pocketing or other arrangement affecting the Hypothetical Investor);

- (iv) a postponement, suspension or failure of the Asset to make any payment in respect of the redemption of any interest in the Asset on any day for which such payment is scheduled to be made in accordance with the Asset's Prospectus; or
- (v) the Hedging Entity not being permitted by the Asset to subscribe for or redeem interests in the Asset on an Asset Business Day in accordance with the Asset's Prospectus.

"Market Disruption Event" means any of the following events:

- (i) when the foreign exchange market or money market in U.S. dollars or euro is or are closed otherwise than for ordinary public holidays or if trading thereupon is restricted or suspended and, in the determination of the Calculation Agent, this would have a material impact on the ability of the Calculation Agent to determine the value of the Securities accurately, in a timely manner or at all or on the ability of the Hedging Entity to execute a hedge in respect of the Securities in any such market; or
- (ii) an event pursuant to which there is a breakdown in any means of communication normally used for the valuation by the Calculation Agent of all of or a substantial portion of the Asset or if the Fund Manager informs the Issuer or the Calculation Agent, or the Calculation Agent determines at its own discretion that the last reported Official Net Asset Value should not be relied upon.

1.3 Asset Adjustment

(a) Asset Adjustment Events

Where, in the determination of the Calculation Agent, an Asset Adjustment Event occurs, the Calculation Agent may, by providing notice to the Securityholders in accordance with General Condition 13 (*Notices*), make any adjustment (which may have retrospective effect) it deems appropriate to any Calculation Item at any time to take into account an amount, as determined by the Calculation Agent, in compensation for a Hypothetical Investor to reflect the risk that it would take in holding the Asset or other financial instrument as a hedge for the Securities, provided that any such adjustment shall not reduce the Final Redemption Amount in respect of each Security (of the Specified Denomination) below 100 per cent. (100%) of the Specified Denomination.

(b) Related definitions

"Asset Adjustment Event" means any of the following events:

- (i) the Asset subdivides, consolidates, or reclassifies the Asset Units (including any side-pocket issuance or following an Underlying Distribution to a material portion of the Asset) or a distribution or dividend of the Asset Unit or any other interest in the Asset to any existing holder by way of bonus, capitalisation, reorganisation of the Asset or similar issue;
- (ii) any circumstances where, although the Official Net Asset Value of the Asset is published:
 - (A) the Calculation Agent determines that such value is not accurate or that any transaction in respect of the Asset could not be transacted at such value or with a cash consideration in full, and to be received as regularly scheduled (provided

that the Calculation Agent may, in its discretion, determine that such event instead results in the occurrence of a Fund Disruption Event);

- (B) the Calculation Agent notifies the Fund Manager of its determination in subparagraph (A) above, and the Fund Manager does not remedy this to the satisfaction of the Calculation Agent within two Calculation Business Days;
- (iii) the inability of the Hedging Entity to liquidate Asset Units in accordance with the Redemption Frequency, Redemption Notice Period and Redemption Settlement each as defined in the Redemption Table (including the application of any gating, side-pocketing or other arrangement affecting the Hedging Entity) and any change in the subscription or redemption terms of the Asset Units including, but not limited to, the form of payment, schedule of payments or notice periods that were not otherwise applicable to the Hedging Entity as of the Trade Date;
- (iv) the Asset takes any action that may have a diluting or concentrative effect on the theoretical value of the Asset Units;
- (v) the Asset suffers a material adverse change in its accounting, regulatory or tax treatment which does or would adversely affect holders of the Asset Units, or where the Hedging Entity suffers or would suffer such adverse treatment as a result of the adoption of any accounting, regulatory or tax treatment in respect of a holding of any Asset Units;
- (vi) a material change in any fee arrangement that is in place on the Issue Date, temporary or otherwise, between the Hedging Entity and the Asset in relation to the hedging of the Securities; or
- (vii) a material breach (as determined by the Calculation Agent) by the Fund Manager or any affiliate of the Fund Manager of any agreement with the Hedging Entity in place on the Issue Date in relation to the hedging of the Securities.

"Underlying Distribution" means a change in the liquidity of, an inability to redeem, a suspension of redemption of, or a suspension in the publication of the net asset value in relation to, the Asset Units.

2 Calculations and Determinations

(a) General

Unless otherwise specified, the Calculation Agent shall make all calculations and determinations in respect of the Conditions. Unless otherwise specified, all calculations and determinations made by the Issuer or the Calculation Agent shall be made in good faith and in a commercially reasonable manner, including determinations as to materiality or the success or acceptability of any cure, mitigation or replacement. All calculations and determinations shall, in the absence of manifest error, be final, conclusive and binding on Securityholders. For the avoidance of doubt, any calculations or determinations made by the Issuer or the Calculation Agent under the Conditions on an estimated basis shall not be revised following the making of such calculation or determination.

(b) Disclaimer

The Issuer and the Calculation Agent are under no obligation to monitor compliance of the Asset with the Inclusion Conditions, nor to monitor whether an Asset Substitution Event, Asset Disruption Event or Asset Adjustment Event has occurred. The Issuer and the Calculation Agent shall not be liable to any party or person for losses resulting from violations of the Inclusion Conditions or failure to effect an Asset Substitution Event or other event under the Securities.

(c) **Rounding**

Any calculations made under the Conditions shall be made by the Issuer or the Calculation Agent applying rounding, in the relevant currency, as it determines appropriate in its sole and absolute discretion.

(d) **Construction**

For the avoidance of doubt, as used in the Conditions, (i) in relation to a term of any formula, " t " means the value of that term for the relevant day or period, as the case may be, and, in relation to other terms in that formula: (a) references to " t " shall be to the value of that term at the same day or period, respectively; and (b) references to " t " plus or minus a specified number (i.e. " $t+1$ ", " $t+2$ ", or " $t-1$ ") shall be to the value of that term for the day or period, as the case may be, falling that specified number of days or periods, respectively, after or before, as the case may be, the day or period to which " t " relates, (ii) in relation to any day or period, as the case may be, " t " means the relevant day or period, respectively and, in respect of that day or period, references to " t " plus or minus a specified number (i.e. " $t+1$ ", " $t+2$ ", or " $t+3$ ") shall be to the day or period falling that specified number of days or periods, respectively, after or before, as the case may be, the day or period to which " t " relates, (iii) in relation to a term of any formula " 0 " means the value of that term for the initial specified day or period, as the case may be, and, in relation to any day or period, as the case may be, means the initial specified day or period, respectively, and (iv) in relation to a term of any formula " 1 " means the value of that term for the day or period, as the case may be, immediately following the initial specified day or period, respectively, and, in relation to any day or period, as the case may be, means the day or period, respectively, immediately following the initial specified day or period.

(e) **Reliance**

In making any calculations or determinations, the Issuer or the Calculation Agent may rely upon the opinion of any person who appears to it as being competent to value assets of any class or classes by reason of any appropriate professional qualification or experience of any relevant market or asset.

(f) **Not Acting as Fiduciary**

In making calculations and determinations, neither the Issuer nor the Calculation Agent shall act as principal and not as agent or fiduciary of any other person. Each calculation and determination performed by the Issuer or the Calculation Agent hereunder is performed in reliance upon this and subject thereto. If by performing any such calculation or determination the Issuer or the Calculation Agent is rendered an agent or fiduciary for another person under applicable law, then its right and obligation to perform such calculation or duty may be suspended at its option (or, if already performed, its application may be suspended) until such calculation or determination may be performed by it as

principal and not as agent or fiduciary (or until it may be performed by an appropriate third party that is willing and able to perform it).

(g) **Dates of Calculations**

Notwithstanding that certain calculations or determinations in the Conditions may be expressed to be "on" a certain date, the Issuer or the Calculation Agent may make such calculations or determinations in respect of that date on a date after that date.

(h) **Business Days**

Unless otherwise specified, calculations made by the Issuer or the Calculation Agent in respect of the Asset for Valuation Day_t, shall be made in accordance with the Liquidity Designation specified in the Specific Terms. Where the Liquidity Designation is specified as Monthly, then the Official Net Asset Value as of Valuation Day_t for the Asset shall be the respective Official Net Asset Value for the calendar month in which Valuation Day_t falls. Where the Liquidity Designation is specified as Daily, Weekly, Quarterly or any other Liquidity Designation as specified in the Specific Terms, then the Official Net Asset Value as of Valuation Day_t for the Asset shall be the Official Net Asset Value for the respective Asset Business Day which falls on the same calendar day as Valuation Day_t provided that where such Asset Business Day does not fall on the same calendar day as Valuation Day_t, then the Official Net Asset Value shall be that for the respective Asset Business Day falling immediately after the respective Valuation Day_t.

Nothing in the foregoing shall limit the ability of the Issuer or the Calculation Agent to make estimates in any manner specified elsewhere in the Conditions. Notwithstanding the foregoing or anything else contained in the Conditions, should the Issuer and/or the Calculation Agent determine, in good faith and in a commercially reasonable manner, that in order to give effect to the methodology described in these Asset Terms and the Specific Terms it is necessary to make calculations on a day that is not a Calculation Business Day then the Issuer or the Calculation Agent shall be permitted to make such calculations on such calendar day as it shall see fit.

(i) **Use of Estimates**

The Issuer or the Calculation Agent will make calculations and determinations under the Conditions using the information, price sources or factors, whether official or estimated, as specified in the Conditions. However, should the Issuer or the Calculation Agent not be able to obtain the necessary information or be able to use the specified price sources or factors, then, after using reasonable efforts and after applying all fallback provisions specified in the Conditions in relation to such calculation or determination, the Issuer or the Calculation Agent shall be permitted to use its estimate (arrived at in good faith) of the relevant information, price source or factor in making the relevant calculations or determinations should it determine that such estimate is reasonably necessary. If at any time the Issuer or the Calculation Agent is required to make any estimate in respect of any determination or calculation whilst redemptions are for the time suspended, the Issuer or the Calculation Agent may make such estimate as such amount as it in good faith believes to be the then market value, which may be zero.

PART B

ADDITIONAL DEFINITIONS

"Administrator" means the entity specified in the Asset's Prospectus as responsible for the administration of the Asset and the determination and reporting of the Official Net Asset Value of the Asset.

"Asset" means a notional investment in the fund specified in the table at paragraph 27 (*Initial Asset*) of Part A of the Specific Terms, subject to replacement following the occurrence of an Asset Substitution Event.

"Asset Business Day" means a day on which the Asset will effect subscription and redemption requests in relation to shares or units in the Asset and/or any day that is a day for which the Administrator or Fund Manager shall calculate an Official Net Asset Value in accordance with the Asset's Prospectus.

"Asset Currency" means the currency in respect of the Asset, as specified in the table at paragraph 27 (*Initial Asset*) of Part A of the Specific Terms.

"Asset Unit" means a share or unit in the Asset.

"Asset Value" means the Official Net Asset Value of the Asset.

"Calculation Agent" has the meaning given to it in the Specific Terms.

"Calculation Business Day" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the city and/or cities specified in Part A of the Specific Terms.

"Calculation Item" means any determination, estimation or calculation required to determine or derive any valuation of, the Early Redemption Amount, if applicable, or the Interest Amount(s) directly or indirectly (including, without limitation, the Official Net Asset Value of an Asset).

"Custodian" means the entity specified in the Asset's Prospectus as responsible for the custody of the assets of the Asset.

"Early Redemption Amount" means the amount in the Specified Currency determined by the Calculation Agent as of the day on which the Issuer or a Securityholder notifies the Fiscal Agent in accordance with General Condition 5(c) or General Condition 9 (as applicable), and equal to the prevailing fair market value which the Issuer would quote to a market participant per Security for the purchase of a Security. The calculation of the Early Redemption Amount is to be determined in its sole discretion and is to be based on, *inter alia*, an estimated value of the Securities as at such date (where such value shall be calculated by reference to (a) the most recent valuations; and/or (b) the then most current data available, the historical performance of the Asset, the level of implied volatility, the remaining time until the Maturity Date, the applicable Participation, any amounts in relation to dividends, premia, coupons, fees, leverage or foreign exchange hedge, if such is specified as applicable in the Specific Terms, that would otherwise have been taken into account in the calculation of the value of the Securities up to and including the Maturity Date and the relevant prevailing interest rates and exchange rates. Notwithstanding anything contained elsewhere in these Conditions, the Calculation Agent shall take into account any Asset Disruption Event, Asset Adjustment Event or Asset Substitution Event that affects any determination in this paragraph in such manner as it sees fit.

"Executive Committee" means the group of individuals specified in the Asset's Prospectus as responsible for overseeing the activities of the Asset.

"Fund Manager(s)" means the entity specified in the Asset's Prospectus as responsible for providing investment management advice to the Asset and/or the Administrator and/or the Executive Committee, or other person responsible for providing financial information relating to the Asset to its investors.

"Hedging Entity" means Credit Suisse International or any affiliate as counterparty to the Issuer's hedging arrangements in respect of the Securities.

"Hypothetical Investor" means a hypothetical investor in the Asset Units or any other security received as a distribution in respect of the Asset Units located in the Hypothetical Investor Jurisdiction and deemed to have the benefits and obligations, as provided under the Asset's Prospectus, of an investor holding as of any Valuation Day an amount of the Asset Units required to hedge the Securities.

"Hypothetical Investor Jurisdiction" means England.

"Inclusion Condition" has the meaning given to such term in paragraph 30 (*Inclusion Conditions*) of Part A of the Specific Terms.

"Liquidity Designation" means the frequency of occurrence of an Asset Business Day for the Asset, as specified in the table at paragraph 28 (*Liquidity Designation*) of Part A of the Specific Terms.

"Official Net Asset Value" means the net asset value per unit of the Asset as calculated and reported by its Administrator for an Asset Business Day.

"Payment Business Day" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in the city and/or cities specified in the Specific Terms and which is a TARGET Business Day.

"Prospectus" means the offering document for the Asset as updated, revised or supplemented from time to time.

"Redemption Amount" means the Final Redemption Amount or the Early Redemption Amount, as the case may be.

"Securityholders" has the meaning given in General Condition 1.

"Service Provider" means each of the Fund Manager, the Administrator, the Custodian and any additional Service Provider (if any) to the Asset, and any replacement or successor from time to time.

"Substitute" has the meaning given in Asset Term 4.

"Substitute Asset" has the meaning given in Asset Term 1(a).

"Substitution Valuation Date" has the meaning given in Asset Term 1(a).

"Trade Date" means 28 May 2014.

"Valuation Day_t" means (i) the Initial Valuation Date; (ii) the Final Observation Date; (iii) each of the Observation Dates; and (iv) each Calculation Business Day from (and including) the Initial Valuation Date to (and including) the Final Observation Date.

SPECIFIC TERMS

Except as set out below, the Securities will be subject to the General Conditions, the Asset Terms and to the following provisions (the "**Specific Terms**", and together with the General Conditions and the Asset Terms, the "**Conditions**").

If the General Conditions or the Asset Terms refer to a definition or provision in the Specific Terms and the Specific Terms contain no such definition or provision, such definition or provision shall be deemed not to apply.

"Not Applicable" means an item is not applicable at the date of this document, subject to amendment.

PART A

- | | | |
|-----------|--|---|
| 1 | Relevant Branch: | London |
| 2 | Series Number: | SPLB2014-296 |
| 3 | Tranche Number: | Not Applicable |
| 4 | Specified Currency: | Euro (" EUR ") |
| 5 | Aggregate Nominal Amount: | |
| | (a) Series: | Up to EUR 50,000,000 |
| | (b) Tranche: | Not Applicable |
| 6 | Issue Price: | 102 per cent. of the Aggregate Nominal Amount |
| 7 | Specified Denomination (or " SD "): | EUR 1,000 |
| 8 | Issue Date: | 29 July 2014 |
| 9 | Initial Valuation Date: | 30 July 2014 |
| 10 | Final Observation Date: | The Observation Date scheduled to fall on 31 July 2023 |
| 11 | Maturity Date: | 7 August 2023, subject to the occurrence of an Asset Disruption Event and provided if such day is not a Payment Business Day, the Maturity Date shall be the immediately following Payment Business Day |
| 12 | Calculation Business Day: | London and Luxembourg |
| 13 | Payment Business Day: | London (and for the avoidance of doubt, TARGET) |

Provisions relating to Interest Amounts

- | | | |
|-----------|---|---|
| 14 | Other Interest Provisions: | |
| | (a) Interest Payment In respect of: | |
| | Date(s): | (a) each Observation Date (other than the Final Observation Date), the third Payment Business Day |

following such Observation Date; and

(b) the Final Observation Date, the Maturity Date,

provided that if the Issuer declares a Defeasance Date in accordance with Asset Term 1.1(a), then the final Interest Payment Date shall be the Interest Payment Date immediately preceding the Defeasance Date and no further Interest Amounts shall be payable with effect from the Defeasance Date

(b) Interest Amount: The Interest Amount payable by the Issuer on each Interest Payment Date in respect of each Security (of the Specified Denomination) will be an amount in the Specified Currency determined by the Calculation Agent in accordance with the following formula:

$$SD \times \frac{\text{Participation}}{N(t)} \times \text{Max} \left[0; \left(\frac{\text{Asset (t)}}{\text{Asset (Initial)}} - \text{Strike} \right) \right]$$

Where:

"Asset (Initial)" means the Official Net Asset Value of the Asset on the Initial Valuation Date.

"Asset (t)" means, in respect of an Interest Payment Date, the Official Net Asset Value of the Asset on the Observation Date immediately preceding such Interest Payment Date.

"Max" followed by a series of amounts inside brackets, means whichever is the greater of the amounts separated by a semi-colon inside those brackets.

"N(t)" means, in respect of an Interest Payment Date, the number specified in the column entitled "N(t)" in the "Observation Date and N(t) Table" below corresponding to the Observation Date immediately preceding such Interest Payment Date.

"Official Net Asset Value" has the meaning given to such term in Part B of the Asset Terms.

"Participation" means 100 per cent. (expressed as one).

"SD" means the Specified Denomination.

"Strike" means 100 per cent. (expressed as one).

15 Observation Dates: Means each of the calendar days set forth in the column entitled "Observation Date" in the "Observation Date and N(t) Table" below

Observation Date and N(t) Table	
Observation Date	N(t)
29 July 2015	1
29 July 2016	2
31 July 2017	3
30 July 2018	4
29 July 2019	5
29 July 2020	6
29 July 2021	7
29 July 2022	8
31 July 2023	9

Provisions relating to Redemption

- 16** Final Redemption Amount: The Final Redemption Amount payable by the Issuer on the Maturity Date in respect of each Security (of the Specified Denomination) will be an amount in the Specified Currency equal to the Specified Denomination

General Provisions

- 17** Form of Securities: Bearer Securities
- (a) Temporary or permanent Global Security / Certificate: Permanent Global Security exchangeable for Definitive Securities in the limited circumstances specified in the permanent Global Security
- 18** Additional Financial Centres: Not Applicable
- 19** Stock Exchanges to which application will initially be made to list the Securities: Application has been made for the Securities to be listed on the Official List of the Luxembourg Stock Exchange with effect from the Issue Date provided, however, no assurance can be given that the Securities will be listed on the Official List of the Luxembourg Stock Exchange on the Issue Date or any specific date thereafter
- 20** Entities (other than stock exchanges) to which application for listing and/or approval of the Securities will be made: Application has been made for the Securities to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange with effect from the Issue Date provided, however, no assurance can be given that the Securities will be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange on the Issue Date or any specific date thereafter

- 21** Securities Codes: ISIN: XS1040356476
Common Code: 104035647
- 22** Any clearing systems other than Euroclear and Clearstream, Luxembourg and the relevant identification numbers: Not Applicable
- 23** Delivery: Delivery against payment
- 24** Calculation Agent: Credit Suisse International
- 25** Dealer(s): Credit Suisse International
- 26** The Agents appointed in respect of the Securities are:
- Fiscal Agent:
- The Bank of New York Mellon
One Canada Square
London
E14 5AL
- Paying Agent:
- The Bank of New York Mellon
One Canada Square
London
E14 5AL
- The Bank of New York Mellon (Luxembourg) S.A.
Vertigo Building - Polaris
2-4 rue Eugène Ruppert
L-2453 Luxembourg

Provisions relating to the Asset

- 27** Initial Asset:

Initial Asset	Share Class	Asset Currency	Bloomberg Code	ISIN
DNCA Invest – Eurose	EUR share class	EUR	LEODEFA LX	LU0284394235

- 28** Liquidity Designation:

Asset	Liquidity Designation
DNCA Invest – Eurose	Daily

Provisions relating to Asset Disruption Events

29 Asset Disruption Period: Not Applicable – see the Asset Terms

Provisions relating to Asset Substitution Events

30 Inclusion Conditions: Applicable

Each of the following conditions:

- (a) **Liquidity.** The Asset shall offer investors the ability to redeem Asset Units held by them or to subscribe for further Asset Units on each Asset Business Day based on the Official Net Asset Value for such day provided proper same day notice procedures are followed by an investor (the Asset's terms for payout of redemption proceeds need not be same day, but can be up to five (5) Calculation Business Days afterwards);
- (b) **Fee Structure.** The Asset shall not charge the Hedging Entity (i) a subscription fee for the purchase of the Asset units or (ii) a redemption fee for the redemption of the Asset units, or (iii) taxes of other similar fees payable in respect of a purchase or redemption of units in the Asset;
- (c) **Minimum Fund Size.** The Asset shall have an aggregate net asset value (as reported by its Fund Manager) of at least EUR 50,000,000 or any lower amount that is acceptable to the Calculation Agent in its sole discretion; and
- (d) **Publication Requirement.** The Asset shall report the Official Net Asset Value for the respective Asset Business Day applicable, which Official Net Asset Value shall be reported by its Fund Manager no later than close of business on the following Asset Business Day

Provisions relating to the Asset generally

31 Asset Terms: The provisions set out in the Asset Terms will apply

PART B - OTHER INFORMATION

Interests of Natural and Legal Persons involved in the Issue

The Issuer will pay the Distributor an upfront fee in connection with the Offer of up to 4.95 per cent. (4.95%) of the Aggregate Nominal Amount of the Securities, equivalent to approximately 0.55 per cent. (0.55%) of the Aggregate Nominal Amount of the Securities per annum. Such a fee is included in the Issue Price of the Securities.

The Issuer is subject to conflicts of interest between its own interests and those of holders of Securities. See the "Risk Factors" section in this document.

Reasons for the Offer and Use of Proceeds

The net proceeds from the issue of the Securities will be used by the Issuer for its general corporate purposes (including hedging arrangements).

The estimated total expenses of the offer is EUR 15,000.

Estimated Expenses

Not applicable; there are no estimated expenses charged to the investor by the Issuer or the Authorised Offeror. See item 11 below for information on applicable fees.

Terms and Conditions of the Offer

1. Offer Price: The Offer Price will be equal to the Issue Price
2. Total amount of the offer. If the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer:

Up to EUR 50,000,000

It is anticipated that the final amount of Securities to be issued on the Issue Date will be notified to investors by appropriate means (and also through a notice published on the Distributor's website (www.deutschebank.be) on or around the Issue Date. The final amount of Securities will depend on the outcome of the offer.
3. Conditions to which the offer is subject: The offer of the Securities is conditional on their issue.

Right to cancel: The offer may be cancelled if the Issuer or the Distributor assesses, at its absolute discretion, that any applicable laws, court rulings, decisions by governmental or other authorities or other similar factors render it illegal, impossible or impractical, in whole or part, to complete the offer or that there has been a material adverse change in the market conditions. In the case of cancellation, unless otherwise specified by the Distributor, the Distributor will repay the purchase price

and any commission paid by any purchaser without interest.

The Issuer reserves the right to withdraw the offer and/or to cancel the issue of the Securities for any reason at any time on or prior to the Issue Date.

For the avoidance of doubt, if any application has been made by a potential investor and the Issuer exercises such a right, each such potential investor will not be entitled to subscribe or otherwise purchase any Securities. The Distributor will repay the Offer Price and any commission paid by any investor without interest.

The offer will be subject to the above provisions. In case of withdrawal or cancellation, the Distributor will inform the investors that have already applied for the Securities by appropriate means (and also through a notice published on its website (www.deutschebank.be) and repay the Offer Price and any commission paid by any investor without interest.

- | | | |
|----|---|--|
| 4. | The time period during which the offer will be open (" Offer Period "): | <p>The Securities will be offered for sale to the public in Belgium during the period from, and including 18 June 2014 to, and including, 5:00 p.m., Central European Time on 25 July 2014</p> <p>The Offer Period may be discontinued at any time.</p> <p>Notice of the early closure of the Offer Period will be made to investors by appropriate means (and also through a notice published on the Distributor's website (www.deutschebank.be)). See further the section entitled "Details of the minimum and/or maximum amount of application" set out in item 7 below.</p> |
| 5. | Description of the application process: | <p>Prospective investors may apply to the Distributor to subscribe for Securities in accordance with the arrangements existing between the Distributor and its customers relating to the subscription of securities generally.</p> |
| 6. | Description of the possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: | <p>Not Applicable</p> |
| 7. | Details of the minimum and/or maximum amount of application: | <p>There is no minimum amount of application.</p> <p>The maximum amount of application will be subject only to availability at the time of application.</p> |

8. Details of the method and time limits for paying up and delivering the Securities: Payments for the Securities shall be made to the Distributor on 29 July 2014.

The Securities are expected to be delivered to the purchasers' respective accounts on or around 29 July 2014.
9. Manner in and date on which results of the offer are to be made public: The results of the offer will be published on the Distributor's website (www.deutschebank.be) following the closing of the Offer Period on or around the Issue Date or, if such website is not available, the results of the offer will be available upon request from the Distributor.
10. Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: Applicants will be notified by the Distributor of the success of their application.
11. Amount of any expenses and taxes specifically charged to the subscriber or purchaser: Not applicable; there are no estimated expenses charged to the investor by the Issuer. See the section entitled "Interests of Natural and Legal Persons involved in the Issue" above for information on applicable fees.
12. Name(s) and address(es), to the extent known to the Issuer, of the placers ("**Distributors**") in the various countries where the offer takes place and where information relating to the Distributor can be found: Deutsche Bank Brussels Branch, Avenue Marnix 17, 1000 Brussels, Belgium

Information relating to the Distributor may be found on the Distributor's website (www.deutschebank.be).
13. Categories of potential investors: The Securities will be offered to retail and wholesale investors in Belgium.
14. Consent: The Issuer consents to the use of the Prospectus by the financial intermediary/ies ("**Authorised Offeror(s)**"), during the offer period and subject to the conditions, as provided as follows:
 - (a) Name and Deutsche Bank Brussels address of Branch Avenue Marnix 17, Authorised 1000 Brussels, Belgium Offeror(s):
 - (b) Offer period for From, and including 18 June 2014 to, and including, 5:00 p.m., Central European Time Prospectus is authorised by on 25 July 2014 the Authorised

Offeror(s):

- (c) Conditions to The Prospectus may only be the use of the used by the Authorised Prospectus by Offeror(s) to make offerings of the Authorised the Securities in the Offeror(s): jurisdiction(s) in the Kingdom of Belgium

If you intend to purchase Securities from an Authorised Offeror, you will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and you, including as to price and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this document does not contain such information. The terms and conditions of such offer should be provided to you by that Authorised Offeror. Neither the Issuer nor any Dealer has any responsibility or liability for such information.

OVERVIEW OF PROVISIONS RELATING TO THE SECURITIES WHILE IN GLOBAL FORM

Initial Issue of Securities

Global Securities are issued in CGS form. Upon the initial deposit of a Global Security with a common depositary for Euroclear and Clearstream, Luxembourg (the "**Common Depositary**") or registration of Registered Securities in the name of any nominee for Euroclear and Clearstream, Luxembourg or DTC and delivery of the relevant Global Certificate to the Common Depositary or Custodian on behalf of DTC, Euroclear, Clearstream, Luxembourg or DTC will credit each subscriber with a nominal amount of Securities equal to the nominal amount thereof for which it has subscribed and paid.

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

Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg, DTC or any other clearing system as the holder of a Security represented by a Global Security must look solely to Euroclear, Clearstream, Luxembourg, DTC or such clearing system (as the case may be) for his share of each payment made by the Issuer, to the bearer of such Global Security or the holder of the underlying Registered Securities as the case may be, and in relation to all other rights arising under the Global Securities, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, DTC or such clearing system (as the case may be). Such persons shall have no claim directly against the Bank or the Relevant Branch in respect of payments due on the Securities for so long as the Securities are represented by such Global Security and such obligations of the Bank and the Relevant Branch will be discharged by payment to the bearer of such Global Security or the holder of the underlying Registered Securities, as the case may be, in respect of each amount so paid.

So long as the Securities are represented by a Global Security or Global Certificate and the relevant clearing system(s) so permit, the Securities shall be tradeable only in principal amounts of at least the Specified Denomination (or if more than Specified Denomination, the lowest Specified Denomination) provided hereon and integral multiples of the Tradeable Amount in excess thereof provided in the relevant Specific Terms.

Exchange

Permanent Global Security

Each permanent Global Security will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under "Partial Exchange of Permanent Global Securities", in part for Definitive Securities or, in the case of (iii) below, Registered Securities:

- (i) if the permanent Global Security is an Exchangeable Bearer Security, by the holder giving notice to the Fiscal Agent of its election to exchange the whole or a part of such Global Security for Registered Securities, and

- (ii) otherwise, (1) if the permanent Global Security is held on behalf of Euroclear or Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**") and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so, or (2) if principal in respect of any Securities is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

Partial Exchange of Permanent Global Securities

For so long as a permanent Global Security is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Security will be exchangeable in part on one or more occasions (1) for Registered Securities if the permanent Global Security is an Exchangeable Bearer Security and the part submitted for exchange is to be exchanged for Registered Securities, or (2) for Definitive Securities if principal in respect of any Securities is not paid when due.

Delivery of Securities

On or after any due date for exchange the holder of a Global Security may surrender such Global Security or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Security, or the part thereof to be exchanged, the Issuer, will (i) in the case of a temporary Global Security exchangeable for a permanent Global Security, deliver, or procure the delivery of, a permanent Global Security in an aggregate nominal amount equal to that of the whole or that part of a temporary Global Security that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Security to reflect such exchange or (ii) in the case of a Global Security exchangeable for Definitive Securities or Registered Securities, deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Securities and/or Certificates, as the case may be. In this Programme Memorandum, "Definitive Securities" means, in relation to any Global Security, the definitive Bearer Securities for which such Global Security may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Global Security and a Talon). Definitive Securities will be security printed and Certificates will be printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Security, the Issuer, will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Securities.

Exchange Date

"**Exchange Date**" means, in relation to a permanent Global Security, a day falling not less than 60 days, or in the case of an exchange for Registered Securities five days, or in the case of failure to pay principal in respect of any Securities when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

Amendment to Conditions

The permanent Global Securities and Registered Global Securities contain provisions that apply to the Securities that they represent, some of which modify the effect of the terms and conditions of the Securities set out in this document. The following is a summary of certain of those provisions:

Payments

All payments in respect of Securities represented by a Global Security will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Securities, surrender of that Global Security to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Securityholders for such purpose. A record of each payment so made will be endorsed on each Global Security, which endorsement will be prima facie evidence that such payment has been made in respect of the Securities.

Prescription

Claims against the Bank or the Relevant Branch in respect of Securities that are represented by a permanent Global Security will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in General Condition 8).

Meetings

The holder of a permanent Global Security (unless such permanent Global Security represents only one Security) be treated as being two persons for the purposes of any quorum requirements of a meeting of Securityholders and, at any such meeting, the holder of a permanent Global Security shall be treated as having one vote in respect of each minimum Specified Denomination of Securities for which such Global Security may be exchanged. (All holders of Registered Securities are entitled to one vote in respect of each Security comprising such Securityholder's holding, whether or not represented by a Global Security.)

Cancellation

Cancellation of any Security represented by a permanent Global Security that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Security.

Purchase

Securities represented by a permanent Global Security may only be purchased by the Bank, or any of its subsidiaries if they are purchased together with the rights to receive all future payments of interest and Instalment Amounts (if any).

Events of Default

Each Global Security provides that the holder may cause such Global Security or a portion of it, to become due and repayable in the circumstances described in General Condition 9 by stating in the notice to the Fiscal Agent the nominal amount of such Global Security that is becoming due and repayable.

Notices

So long as any Securities are represented by a Global Security and such Global Security is held on behalf of a clearing system, notices to the holders of Securities of that Series may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Security.

INFORMATION RELATING TO THE ASSET

The Asset is a mutual fund. Information in relation to the Asset including information about past and future performance, as well as volatility, is available on the following website (provided that such website does not form part of this document or the terms and conditions of the Securities): link <http://www.dncafinance.com/fonds/fonds.aspx?pk=25>

The value of the Asset is available on Bloomberg. The Bloomberg ticker is LEODEFA LX.

ECONOMIC PROPOSITION

This section should be read in conjunction with the section entitled "Risk Factors" and the part of the "Important Notices" section entitled "Potential for Discretionary Determinations by the Issuer or the Calculation Agent under the Securities".

Introduction

The Securities are provided to investors at the relevant price and on the relevant terms on the basis that the Issuer and/or the Hedging Entity can effectively and continuously hedge and manage its risks under the Securities. Therefore the terms and conditions of the Securities permit, following the occurrence of certain events outside of the Issuer's and/or Hedging Entity's control that may create additional risks or costs for the Issuer and/or Hedging Entity, the Issuer or the Calculation Agent (as applicable) to determine in its discretion to take one of the actions available to it in order to deal with the impact of such event on the Securities, the Issuer and/or the Hedging Entity. Such discretions permit, amongst other things, the Issuer or the Calculation Agent (as applicable) to transfer the risks and costs of certain events from the Issuer and/or Hedging Entity to the Securityholders. The discretionary actions that the Issuer or Calculation Agent (as applicable) may take on the occurrence of such an event are described in the "Important Notices" section under the heading "Potential for Discretionary Determinations by the Issuer or the Calculation Agent under the Securities". It is possible that any such discretionary determination by the Issuer or the Calculation Agent could have a material adverse impact on the value of the Securities.

Events affecting subscription or redemption

The Securities provide investors in the Securities with risks (among others) which are comparable to the risks to which a direct investor in the Asset is exposed. The interest amounts (if any) payable on the Securities will depend on the Official Net Asset Value of the Asset on each of the specified Observation Dates. However, not all the risks in an investment in the Asset are reflected in its Official Net Asset Value.

In particular, unlike an ordinary share or bond traded on a stock exchange, Asset Units are non-transferable and the subscription or redemption of Asset Units may be subject to certain restrictions, including, without limitation, the requirement to obtain the relevant fund manager's consent. The subscription and redemption process to which an investor in the Asset is subject is therefore under the control of the Asset and this presents additional risks to investors. An investor in Asset Units may be prevented from subscribing and redeeming Asset Units, either at the Official Net Asset Value or at all, or the prescribed notice period, timing cut-offs and minimum/maximum amounts in respect of subscriptions and redemptions for the Asset may be changed. There is also a risk that Asset Units cannot be subscribed for and redeemed at the Official Net Asset Value, for example as the result of the imposition of charges by the Asset.

The Securities are provided to investors on the basis that the Hedging Entity is able to fully and continuously hedge the payment obligations of the Issuer under the Securities throughout the life of the Securities up until the Maturity Date. The hedging activity of the Hedging Entity may include subscribing for, redeeming and holding Asset Units throughout the life of the Securities to ensure that at any time the Issuer's obligations under the Securities are matched by the Hedging Entity's holdings of Asset Units or entering into a financial instrument that provides a similar exposure. As a result of this hedging activity, the Hedging Entity is exposed to the risks described above and therefore certain Asset Substitution Events, Asset Disruption Events and Asset Adjustment Events (together, the

"**Asset Events**") have been included in the terms of the Securities to transfer certain risks of holding Asset Units to the Securityholders.

Fee rebate arrangements

The Securities are provided to investors on the basis that a fee rebate agreement is in place at all times between the Hedging Entity and the Asset. The termination or material modification of such arrangement may represent a loss to the Issuer and/or Hedging Entity. Certain Asset Events have been included which have the effect of transferring the financial impact on the Issuer and/or Hedging Entity of the fee rebate agreement ceasing to be in full force and effect at all times during the life of the Securities to the Securityholders.

Characteristics of the Asset

The Securities are provided to investors on the basis that the Asset's key characteristics as at the Issue Date remain the same throughout the life of the Securities. Such characteristics include the investment objective, the investment strategy, the Asset's legal structure and its accounting currency. Certain Asset Events have been included in the terms and conditions of the Securities, which have the effect of transferring any adverse financial impact in relation to a change in any of these characteristics from the Issuer and/or Hedging Entity to the Securityholders.

Legal or governmental proceedings

The Securities are provided to investors on the basis that the Asset does not become involved with any material litigation, arbitration, investigation, proceeding or regulatory or governmental action in relation to the activities of the Asset or any of its Service Providers or loses a licence or regulatory authorisation applicable to the Asset or any Service Provider throughout the life of the Securities. These events, although they may not affect the ability of the Hedging Entity to subscribe and redeem Asset Units, may affect the ability of the Hedging Entity to hold Asset Units or be indicative of potential issues with the ability of the Hedging Entity to hedge the Securities as described above and/or give rise to increased risk for the Hedging Entity in relation to such hedging activity. Certain Asset Events have been included in the Securities which have the effect of transferring the risks of the Hedging Entity relating to these events to Securityholders.

Disclaimer relating to Inclusion Conditions and Asset Events

The Inclusion Conditions and the Asset Events have been included in the Securities as part of the risk management requirements of the Hedging Entity in relation to its hedging activities for the Securities. The exercise by the Issuer or Calculation Agent (as applicable) of its discretion under the terms and conditions of the Securities to take one of the actions available to it in order to deal with the impact of such events may benefit the Issuer and/or Hedging Entity by transferring the risks associated with those events to Securityholders. This will reduce the Hedging Entity's exposure to such risks and help it to meet its internal risk management requirements. However, the Issuer and the Calculation Agent are under no obligation to monitor compliance of the Asset with the Inclusion Conditions, nor to monitor whether an Asset Event has occurred. The Issuer and the Calculation Agent shall not be liable to any party or person for losses resulting from violations of the Inclusion Conditions or failure to effect an Asset Substitution Event or other event under the Securities. Except as stated in the conditions of the Securities, the Issuer and the Calculation Agent shall not be liable to any party or person for losses resulting from the timing of any determinations in relation to Asset Events or Inclusion Conditions or any other action or inaction by the Issuer or the Calculation Agent in respect of the Securities.

TAXATION

SWITZERLAND

The following statements and discussions of certain Swiss tax considerations relevant to the purchase, ownership and disposition of Securities are of a general nature only and do not address every potential tax consequence of an investment in Securities under Swiss law. This summary is based on treaties, laws, regulations, rulings and decisions currently in effect, all of which are subject to change. **It does not address the tax consequences of the Securities in any jurisdiction other than Switzerland.** Potential investors will therefore need to consult their own tax advisers to determine the special tax consequences of the receipt, ownership and sale or other disposition of a Security.

Tax treatment depends on the individual tax situation of each investor and may be subject to change.

The Securityholders shall assume and be responsible to the proper governmental or regulatory authority for any and all taxes of any jurisdiction or governmental or regulatory authority, including without limitation, any state or local taxes, transfer taxes or fees, occupation taxes or other like assessments or charges that may be applicable to any payment delivered to them by the Issuer hereunder or applicable to the transactions covered hereby. The Issuer shall have the right, but not the duty, to withhold from any amounts otherwise payable to a Securityholder such amount as is necessary for the payment of any such taxes, fees, assessments or charges.

Swiss Withholding Tax

According to current Swiss tax law and the present practice of the Swiss Federal Tax Administration, payments in respect of the Securities and repayment of principal of the Securities by the Issuer acting through one of its branches outside of Switzerland should not be subject to Swiss withholding tax provided that the Issuer uses the proceeds outside of Switzerland.

Swiss Value Added Tax ("VAT")

The issue, transfer (i.e., through a sale or a purchase), exercise or redemption of Securities or any income derived therefrom will normally not be subject to Swiss VAT. However, any respective input VAT will correspondingly not be recoverable.

Issue Stamp Tax and Securities Transfer Stamp Tax

According to current Swiss tax law and the present practice of the Swiss Federal Tax Administration, the issue of Securities is not subject to Issue Stamp Tax and Securities Transfer Stamp Tax. The Securities Transfer Stamp Tax is applicable to Securities which, due to specific features, are considered bond-like, share-like or fund-like products for purposes of Swiss tax law. In this case, a Securities Transfer Stamp Tax of up to 0.3 per cent. of the consideration could be due on secondary market transactions in Securities, if a Swiss securities dealer (*Effekthändler*), as defined in art. 13 para. 3 of the Swiss Federal Act on Stamp Duties (*Stempelabgabengesetz*), is a party to the transaction or acts as an intermediary thereto. This applies likewise for primary market transaction of fund-like instruments which are not issued out of Switzerland.

If, upon the exercise or redemption of a Security, an underlying security is delivered to the holder of the Security, the transfer of the underlying security may be subject to Swiss Securities Transfer Tax of up to 0.15 per cent. in the case of an underlying security which has been issued by a Swiss resident issuer and of up to 0.3 per cent. in the case of an underlying security which has been issued by a

non-Swiss issuer, provided in both cases that a Swiss securities dealer is a party to the transaction or acts as an intermediary thereto. Certain exemptions may, *inter alia*, apply with regard to institutional investors such as mutual funds, non-Swiss listed companies and their non-Swiss subsidiaries, non-Swiss life insurance companies and non-Swiss social security institutions.

Income Taxation of Non-Swiss tax resident Investors

Under present Swiss tax law, payments of interest on the Securities and repayment of principal of the Securities to a holder who is a non-resident of Switzerland and who, during the taxation year has not engaged in a trade or business through a permanent establishment within Switzerland and who is not subject to income taxation in Switzerland for any other reason will not be liable to Swiss federal, cantonal or communal income taxation. Such an investor that is not a tax resident in Switzerland, will also not be liable to Swiss federal, cantonal or communal income taxation on gains realised during the taxation year on the sale or redemption of a Security.

Income Taxation of Securities held by Swiss tax resident Individuals as part of Private Property

Gains or losses realised upon a sale or other disposition by individuals holding a Security as part of their private property (private capital gain) are as a rule not subject to income taxation or are not deductible from taxable income respectively. This applies likewise to option premium received or paid by the holder of a Security that is treated for Swiss tax purposes as a transparent structured product consisting of part debt and part option.

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 on which is paid in the form of a one-time payment (*überwiegende Einmalverzinsung*). Losses arising from such bonds may be deducted from gains recognised from similar instruments during the same tax period.

Income derived from a Security, which is neither a private capital gain, as set out above nor a repayment of paid in capital (or face value in the case of share-like instruments) nor an option premium is as a rule subject to tax. This applies, *inter alia*, to any issuance discount, repayment premium, other guaranteed payments (except repayment of capital or option premium) or any combination thereof. Payments or credits received by a holder because of dividends, interest etc. of the underlying may be subject to income tax for such holder. This may apply likewise to payments or credits derived from underlying funds.

Income Taxation of Securities held by Swiss tax resident Individuals or Entities as part of Business Property

Income realised and losses justified by business reasons incurred on Securities as part of the business property of individuals (including deemed securities dealers due to frequent dealing, debt financing or similar criteria; so called *Wertschriftenhändler*) or entities resident in Switzerland are included in the taxable income or may be deducted from the taxable income, respectively, of such person or entity.

EU Withholding Tax

European Union Directive on the Taxation of Savings Income, Swiss Agreement: The European Union ("EU") adopted a directive on the taxation of savings income in the form of interest payments (European Directive 2003/48/EC of 3 June 2003) (the "**Directive**"). The Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and

other similar income paid by a person to an individual in another Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period unless during such period they elect otherwise. A number of third countries and territories, including Switzerland, have adopted similar measures to the Directive. On 26 October 2004, the European Community and Switzerland entered into an agreement on the taxation of savings income pursuant to which Switzerland adopted measures equivalent to those of the Directive.

On the basis of this Agreement, Switzerland introduced a withholding tax on interest payments and other similar income paid in Switzerland by a paying agent to an individual resident in an EU Member State ("**EU Withholding Tax**"). The rate of withholding is currently 35 per cent. with the option for such an individual to authorise the paying agent to disclose details of the payments to the tax authorities of the relevant Member State in lieu of the withholding. The beneficial owner of the interest payments may be entitled to a tax credit or refund of the withholding in its country of residence, if any, provided that certain conditions are met.

Final Foreign Withholding Taxes

The Swiss Federal Council signed treaties with the United Kingdom and Austria providing, *inter alia*, for a final withholding tax. The treaties entered into force as of 1 January 2013. According to the treaties, a Swiss paying agent must, *inter alia*, levy a final withholding tax on certain income items, including capital gains, interest and dividends, deriving from assets held on accounts or deposits with a Swiss paying agent, including, as the case may be, structured notes and shares. The final withholding tax will substitute the ordinary income tax due by an individual resident of a contracting state on such gains and income items. In lieu of the final withholding, individuals may opt for a voluntary disclosure of the relevant capital gains and income items to the tax authorities of their state of residency.

UNITED KINGDOM

The following comments are of a general nature, relating only to the position of persons who are absolute beneficial owners of the Securities and is based on United Kingdom law and what is understood to be the current practice of Her Majesty's Revenue & Customs ("**HMRC**"), in each case at the date of this Summary and Securities Note, which may change at any time, possibly with retrospective effect. The following is a general summary only of the United Kingdom withholding taxation treatment at the date hereof in relation to income payments in respect of the Securities. The summary also contains some very general statements about stamp duty and stamp duty reserve tax ("**SDRT**"). The comments are not exhaustive, and do not deal with other United Kingdom tax aspects of acquiring, holding, disposing of, abandoning, exercising or dealing in Securities.

Withholding taxes

Provided that the Issuer continues to be a bank within the meaning of section 991 of the Income Tax Act 2007 (the "**Act**"), and provided that the interest on the Securities is paid in the ordinary course of its business within the meaning of section 878 of the Act, the Issuer, acting through its London Branch, will be entitled to make payments of interest under the Securities without withholding or deduction for or on account of United Kingdom income tax.

Interest on the Securities may also be paid without withholding or deduction for or on account of United Kingdom tax where interest on the Securities is paid to a person who belongs in the United Kingdom for United Kingdom tax purposes and, at the time the payment is made, the Issuer reasonably believes (and any person by or through whom interest on the Securities is paid reasonably believes) that the beneficial owner is within the charge to United Kingdom corporation tax as regards

the payment of interest; provided that HM Revenue & Customs have not given a direction (in circumstances where it has reasonable grounds to believe that the above exemption is not available in respect of such payment of interest at the time the payment is made) that the interest should be paid under deduction of tax.

Interest on the Securities may also be paid without withholding or deduction for or on account of United Kingdom tax where the maturity of the Securities is less than 365 days and which are not issued under arrangements the effect of which is to render such Securities as part of a borrowing with a total period of a year or more.

In other cases, an amount must generally be withheld from payments of interest on the Securities issued by the Issuer, acting through its London Branch, on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Securityholder, HM Revenue & Customs can issue a notice to the Issuer to pay interest to the Securityholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The references to "interest" above mean "interest" as understood in United Kingdom tax law and in particular any premium element of the redemption amount of any Securities redeemable at a premium may constitute a payment of interest subject to the withholding tax provisions discussed above. The statements above do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Securities or any related documentation.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer and does not consider the consequences of any substitution.

Securityholders who are individuals may wish to note that HM Revenue & Customs have power to obtain information (including the name and address of the beneficial owner of the interest) from certain persons including any person in the United Kingdom who either pays interest to or receives interest for the benefit of an individual. HM Revenue & Customs also have power to obtain information from any person in the United Kingdom who pays amounts payable on the redemption of Securities which are deeply discounted securities for the purposes of the Income Tax (Trading and Other Income) Act 2005 to, or receives such amounts for the benefit of, an individual, however, in relation to amounts payable on redemption of such Securities, HM Revenue & Customs' published practice indicates HM Revenue & Customs will not generally exercise its power to obtain information where such amounts are paid or received before 6 April 2015. Such information may include the name and address of the beneficial owner of the amount payable on redemption. Any information obtained may, in certain circumstances, be exchanged by HM Revenue & Customs with the tax authorities of certain other jurisdictions.

Stamp Duty and Stamp Duty Reserve Tax (SDRT)

Stamp duty

No stamp duty should be payable in relation to the issue of the Securities.

No United Kingdom stamp duty should be required to be paid on transfers of Securities on sale provided no instrument of transfer is used to complete such sales. An instrument transferring Securities on sale may be subject to stamp duty at a rate of 0.5 per cent. (or 1.5 per cent. in the case of a transfer to a Clearance Service (as defined below) or to a person issuing depositary receipts) of

the consideration paid for the Securities if the Securities are not Exempt Loan Capital. The Securities should constitute stock and/or loan capital for the purposes of section 99(3) FA 1986 ("**Loan Capital**"). "**Exempt Loan Capital**" means any security which constitutes Loan Capital and: (a) does not carry rights of conversion into or to acquire shares or securities; (b) has not carried and does not carry a right to interest the amount of which exceeds a reasonable commercial return on the nominal amount of the relevant security; (c) subject to certain exceptions has not carried and does not carry a right to interest the amount of which falls or has fallen to be determined to any extent by reference to the results of, or any part of, a business or to the value of any property; and (d) has not carried and does not carry a right to a premium which is not reasonably comparable with amounts payable on securities listed on the London Stock Exchange.

No United Kingdom stamp duty should be payable in relation to the exercise or redemption of the Securities.

Stamp duty reserve tax ("SDRT")

No SDRT should be payable in relation to the issue to any person providing a clearance service, or a nominee for any such person, within the meaning of section 96 FA 1986 (a "**Clearance Service**") of a Security provided that it is Exempt Loan Capital.

Subject to the comments in the paragraph below, except where an election has been made under which the alternative system of charge as provided for in section 97A FA 1986 (a "**s97A Election**") applies, SDRT should generally be payable in relation to the issue to a Clearance Service of a Security which is not Exempt Loan Capital, unless that Security is in bearer form and raises new capital or is issued in exchange for an instrument raising new capital, for the purposes of section 97(3)(b) FA 1986. Any such SDRT would be payable at a rate of 1.5 per cent. of the issue price.

Following the decision of the European Court of Justice as it then was (the "**ECJ**") in C-569/07 HSBC Holdings plc and Vidacos Nominees Ltd v The Commissioners of Her Majesty's Revenue & Customs and the First-tier Tax Tribunal decision in HSBC Holdings Plc and the Bank of New York Mellon Corporation v The Commissioners of Her Majesty's Revenue & Customs, HMRC has indicated that it will not seek to collect the 1.5% SDRT when new shares are first issued to a clearance service or a depository receipt system. HMRC accepts that these decisions are equally applicable to the issue of securities into clearance services or depository receipt systems where the security is a debt security which falls within the scope of Article 5(2)(b) of the Capital Duties Directive.

SDRT should generally not be payable in relation to an agreement to transfer a Security held within a Clearance Service provided that no s97A Election applies in respect of the Security. In the case of Securities held outside a Clearance Service, or Securities held within a Clearance Service where a s97A Election has been made, no SDRT should be payable in relation to any agreement to transfer such a Security, in each case, provided that it is Exempt Loan Capital.

BELGIUM

The following is a summary of the principal Belgian tax considerations with respect to the holding of Securities obtained by a Belgian investor following this offer in Belgium.

This information is of a general nature and does not purport to be a comprehensive description of all Belgian tax considerations that may be relevant to a decision to acquire, to hold or to dispose of the Securities. In some cases, different rules can be applicable.

This summary is based on Belgian tax legislation, treaties, rules, and administrative interpretations and similar documentation, in force as of the date of the publication of this document, without prejudice to any amendments introduced at a later date, even if implemented with retroactive effect.

Unless otherwise stated herein, this summary does not describe the tax consequences for a holder of Securities that are redeemable in exchange for, or convertible into assets, of the exercise, settlement or redemption of such Securities or any tax consequences after the moment of exercise, settlement or redemption.

Each investor should consult a tax adviser as to the tax consequences relating to its particular circumstances resulting from holding the Securities.

Withholding tax and income tax treatment

Tax treatment of Belgian resident individuals

Individuals who are Belgian residents for tax purposes, i.e., individuals subject to the Belgian individual income tax (*Personenbelasting/Impôt des personnes physiques*) and who hold Securities as a private investment, are in principle subject to the following tax treatment in Belgium with respect to Securities. Other tax rules apply to Belgian resident individuals holding Securities not as a private investment but in the framework of their professional activity.

The following amounts are in general treated as interest for Belgian (withholding) tax purposes: (i) periodic interest income, (ii) any amount paid by the issuer in excess of the issue price on or before the maturity date, and (iii) if the debt securities qualify as fixed income securities in the meaning of article 2, §1, 8° of the Belgian Income Tax Code, in case of a realisation of the debt securities prior to repurchase or redemption by the issuer, the income equal to the pro rata of accrued interest corresponding to the detention period. A debt security will be a fixed income security if in general there is a causal link between the amount of interest income and the detention period of the security, on the basis of which it is possible to calculate the amount of pro rata interest income at the moment of the sale of the security during its lifetime. Based on its circular letter of 25 January 2013 on the tax treatment of income of structured securities, the Belgian tax administration also considers any other securities whose return is uncertain due to a link with the performance of underlying products or values as fixed income securities. There is therefore a possibility that the Belgian tax authorities will want to characterize the Securities, whose (periodic) return is linked to the performance of the Asset as fixed income securities, even though it is debatable whether this is in line with Belgian tax legislation.

Payments of interest on Securities which qualify as interest (as defined above under (i) and (ii)) and which are made through a paying agent in Belgium will in principle be subject to a 25 per cent. withholding tax (calculated on the interest received after deduction of any non-Belgian withholding taxes).

The Belgian withholding tax constitutes in principle the final income tax for Belgian resident individuals. This means that they do not have to declare the interest obtained on the Securities in their personal income tax return, provided the withholding tax was effectively levied on such interest payments, save where declaring the interest and crediting the withholding tax would be more beneficial for the investor.

If the interest is paid outside of Belgium, i.e., without the intervention of a financial intermediary established in Belgium, the interest received on Securities (after deduction of any non-Belgian

withholding tax) must however be declared in the personal income tax return of the holder and will in principle be taxed at a flat rate of 25 per cent.

Capital gains realised upon the sale of Securities are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate or unless and to the extent that the capital gains qualify as interest (as defined above). Capital losses are in principle not tax deductible.

Tax treatment of Belgian resident corporations

Corporations that are Belgian residents for tax purposes, i.e., corporations subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) are in principle subject to the following tax treatment in Belgium with respect to Securities.

Interest derived by Belgian corporate investors on the Securities and capital gains realised on Securities will be subject to Belgian corporate income tax at the ordinary rate of 33.99 per cent. Capital losses are in principle tax-deductible.

Payments of interest (as defined under (i) and (ii) in the section "Tax treatment of Belgian resident individuals") on Securities made through a paying agent in Belgium will in principle be subject to a 25 per cent. withholding tax in Belgium (calculated on the interest received after deduction of any non-Belgian withholding taxes). However, interest from bonds and similar securities can under certain circumstances be exempt from Belgian withholding tax, provided a special certificate is delivered. The Belgian withholding tax that has nevertheless been levied is creditable and refundable in accordance with the applicable legal provisions.

Tax treatment of a Belgian Organisation for Financing Pensions

Belgian pension fund entities that have the form of an Organisation for Financing Pensions ("**OFP**") are subject to Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*). OFPs are subject to the following tax treatment in Belgium with respect to Securities.

Interest derived from and capital gains realised on Securities will not be subject to Belgian Corporate Income Tax in the hands of OFPs. Any Belgian withholding tax that has been levied is creditable and refundable in accordance with the applicable legal provisions. Capital losses on the Securities are in principle not tax deductible.

Tax treatment of other Belgian legal entities

Legal entities that are Belgian residents for tax purposes, i.e., that are subject to the Belgian tax on legal entities (*Rechtspersonenbelasting/Impôt des personnes morales*) are in principle subject to the following tax treatment in Belgium with respect to Securities.

Payments of interest (as defined under (i) and (ii) in the section "Tax treatment of Belgian resident individuals") on Securities made through a paying agent in Belgium will in principle be subject to a 25 per cent. withholding tax in Belgium and no further tax on legal entities will be due on the interest.

However, if the interest is paid outside Belgium, i.e., without the intervention of a financial intermediary in Belgium, the legal entity itself is liable for the payment of the Belgian 25 per cent. withholding tax.

Capital gains realised on the sale of Securities are in principle tax exempt, unless and to the extent that the capital gain qualifies as interest (as defined in the section "Tax treatment of Belgian resident individuals"). Capital losses on Securities are in principle not tax deductible.

Tax treatment of non-resident investors

The interest income on Securities paid by the Issuer to a Belgian non-resident outside of Belgium, i.e., without the intervention of a professional intermediary in Belgium, is not subject to Belgian withholding tax.

Interest (as defined under (i) and (ii) in the section "Tax treatment of Belgian resident individuals") on Securities paid through a Belgian intermediary will in principle be subject to a 25 per cent. Belgian withholding tax, unless the holder is resident in a country with which Belgium has concluded a double taxation agreement which is in effect and delivers the requested affidavit.

Non-resident holders that have not allocated the Securities to business activities in Belgium can also obtain an exemption from Belgian withholding tax on interest if the interest is paid through a Belgian credit institution, a Belgian stock exchange company or a licensed Belgian clearing or settlement institution and provided that the non-resident (i) is the owner or usufructuary of the Securities, (ii) has not allocated the Securities to business activities in Belgium and (iii) delivers an affidavit confirming his non-resident status and the fulfilment of conditions (i) and (ii) above.

Non-resident holders using Securities to exercise a professional activity in Belgium through a permanent establishment are subject to the same tax rules as the Belgian resident corporations (see above).

Non-resident holders who do not allocate the Securities to a professional activity in Belgium are not subject to Belgian income tax, save, as the case may be, in the form of withholding tax. However, such non-residents may still be liable to Belgian income tax on capital gains realized on the Securities, if the following three conditions are cumulatively met, i.e. (i) the capital gain would have been taxable if the investor were a Belgian tax resident, (ii) the capital gain is realized upon a transfer of the Securities to a Belgian resident individual, company or other (legal) entity with registered office or principal place of business in Belgium, a Belgian public authority or a Belgian establishment of a non-resident and (iii) the capital gain is taxable in Belgium pursuant to an applicable bilateral tax treaty or, in the absence thereof, where the investor does not bring evidence that the capital gain has been effectively taxed in his state of residence.

Stock exchange tax and tax on repurchase transactions

A stock exchange tax (*Taks op de beursverrichtingen/Taxe sur les opérations de bourse*) will be levied on the purchase and sale in Belgium of Securities on a secondary market through a professional intermediary. The rate applicable for secondary sales and purchases of Securities in Belgium through a professional intermediary is in principle 0.25 per cent., with a maximum amount of EUR 740 per transaction and per party. A separate tax is due from each of the seller and the purchaser, both collected by the professional intermediary.

A tax on repurchase transactions (*Taks op de reporten/Taxe sur les reports*) at the rate of 0.085 per cent. subject to a maximum of EUR 740 per party and per transaction, will be due from each party to any such transaction entered into or settled in Belgium in which a professional intermediary for stock transactions acts for either party.

However, the tax on stock exchange transactions and the tax on repurchase transactions referred to above will not be payable by exempt persons acting for their own account, including non-residents (subject to certain formalities) and certain Belgian institutional investors, as defined in Articles 126-1.2° and 139 of the Code of various duties and taxes (*Code des droits et taxes divers*).

EU Savings Directive

Individuals not resident in Belgium

A Belgian paying agent within the meaning of the EU Savings Directive will enable automatic (c.q. on request) exchange of information with the country of tax residence of the beneficial owner regarding interest payments as defined by the EU Savings Directive. It concerns payments made to an individual, beneficial owner of the interest payments and resident in another EU Member State or resident in Switzerland, Liechtenstein, Andorra, Monaco, San Marino or in one of the so-called Dependent and Associated Territories. Residual entities (in the meaning of the EU Savings Directive) are subject to a specific regime. The communicated information will include the identity and residence of the beneficial owner, the name and address of the paying agent, the account number of the beneficial owner and information concerning the interest payment. The exchange of information cannot be avoided by the submission of an affidavit.

Individuals resident in Belgium

An individual resident in Belgium will be subject to the provisions of the EU Savings Directive, if he receives interest payments from a paying agent (within the meaning of the EU Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, or the former Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands ("Dependent and Associated Territories").

If the interest received by an individual resident in Belgium has been subject to a Source Tax, such Source Tax does not liberate the Belgian individual from declaring the foreign interest income in the personal income tax declaration. The Source Tax will be credited against the Belgian personal income tax. If the Source Tax withheld exceeds the personal income tax due, the excessive amount will be reimbursed, provided it reaches a minimum of EUR 2.5.

Estate and gift tax

Individuals resident in Belgium

An estate tax is levied on the value of the Securities transferred as part of a Belgian resident's estate.

Gifts of Securities in Belgium are subject to gift tax, unless the gift is made by way of a purely physical delivery of Bearer Securities or otherwise without written evidence of the gift being submitted to the Belgian Tax Administration. However, estate taxes on donated Securities are avoided only if a person can demonstrate that the gift (not subject to gift tax) occurred more than three years preceding the death of the grantor.

Individuals not resident in Belgium

There is no Belgian estate tax on the transfer of Securities on the death of a Belgian non-resident.

Gifts of Securities in Belgium are subject to gift tax, unless the gift is made by way of a purely physical delivery of Bearer Securities or otherwise without written evidence of the gift being submitted to the Belgian Tax Administration.

LUXEMBOURG

The comments below are limited to the withholding tax that may be levied in Luxembourg on any payments made to Securityholders. Securityholders should consult a professional tax adviser in order to obtain advice on tax consequences under Luxembourg law in relation to the purchase, ownership and disposal of the Securities.

This description is based on the laws, regulations and applicable tax treaties as in effect in Luxembourg on the date hereof, all of which are subject to change, possibly with retroactive effect. It is not intended to be, nor should it be construed to be, legal or tax advice.

The following summary does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular prospective holder with regard to a decision to purchase, own or dispose of Securities.

The residence concept used under the respective headings below applies for Luxembourg income tax purposes only and refers to Luxembourg tax law and/or concepts only.

Withholding Tax and Self-Applied Tax

Taxation of Luxembourg non-residents

Under Luxembourg general tax laws currently in force and subject to the laws of June 21, 2005 (the "**Laws**") mentioned below, there is no withholding tax to be withheld by the debtor of Securities on payments of principal, premium or arm's length interest (including accrued but unpaid interest) to non-Luxembourg tax resident holders. Nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by non-Luxembourg tax resident holders.

Under the Laws, implementing the Council Directive 2003/48/EC of June 3, 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the "**Territories**"), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax at a rate of 35 per cent. (applicable rate since July 1, 2011) unless the relevant recipient has duly instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

On 18 March 2014, a draft law amending the Laws has been submitted to the Luxembourg parliament (hereinafter the "**Draft Law**"). The Draft Law provides for the abolishment of the 35% withholding tax applied on interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories. As from 1 January 2015, provided the Draft Law is adopted, the automatic exchange of information should

apply to payments of interest or similar income made or ascribed by a Luxembourg paying agent to or for the immediate benefit of an individual beneficial owner or a residual entity which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories.

Taxation of Luxembourg residents

Under Luxembourg general tax laws currently in force and subject to the law of December 23, 2005, as amended (the "**Law**"), there is no withholding tax to be withheld by the debtor of Securities on payments of principal, premium or arm's length interest (including accrued but unpaid interest) to Luxembourg tax resident holders. Nor is any Luxembourg withholding tax payable upon redemption or repurchase of Securities held by Luxembourg tax resident holders.

Under the Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner who is tax resident of Luxembourg will be subject to a withholding tax of 10 per cent. In case the individual beneficial owner is an individual acting in the course of the management of his/her private wealth, said withholding tax will be in full discharge of income tax. Responsibility for the withholding tax will be assumed by the Luxembourg paying agent. Payments of interest under Securities coming within the scope of the Law would be subject to withholding tax at a rate of 10 per cent.

The above description of the Luxembourg withholding tax position assumes that there will be no substitution of the Issuer and does not consider the consequences of any substitution.

SELLING RESTRICTIONS

GENERAL

Except as set out in this document, no action has been or will be taken that would permit a public offering of the Securities or possession or distribution of any offering material in relation to the Securities in any jurisdiction where action for that purpose is required.

No offers, sales or deliveries of the Securities, or distribution of any offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the relevant Issuer or the Dealer.

UNITED STATES

The Securities have not been and will not be registered under the U.S. Securities Act of 1933 (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act and applicable state securities laws. Terms used in this section have the meanings given to them by Regulation S under the Securities Act.

The Dealer may not offer, sell or deliver the Securities (a) within the United States or (b) to, or for the account or benefit of, U.S. persons (other than distributors) (i) as part of the Dealer's distribution at any time or (ii) otherwise until 40 days after the later of the date on which the Securities were first offered to persons other than distributors and the Issue Date (the "**distribution compliance period**"). The Dealer will send to each other distributor to which it sells the Securities during the 40-day distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Securities within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until the expiration of the 40-day distribution compliance period, an offer or sale of Securities (a) within the United States by a distributor (whether or not participating in the offering) or (b) for the account or benefit of U.S. persons by a person that is not participating in the offering may violate the registration requirements of the Securities Act.

UNITED KINGDOM

Each Dealer represents, warrants and agrees that:

- (a) *Financial promotion*: it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of Financial Services and Markets Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Securities in circumstances in which section 21(1) of FSMA would not, if the Issuer was not an authorised person, apply to the Issuer;
- (b) *General compliance*: it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to any Securities in, from or otherwise involving the United Kingdom; and
- (c) *Commissions and fees*:
 - (i) if it is distributing Securities that are "retail investment products" (as such term is defined in the handbook of the Financial Conduct Authority) into the United Kingdom

and it is entitled to receive any commission or fee from the Issuer, it will not transfer any part of that commission or fee to any third party who may advise retail investors to purchase a Security that is a retail investment product; or

- (ii) if it is authorised and regulated by the Financial Conduct Authority to provide investment advice to retail investors in the United Kingdom and it is providing advice to retail investors in respect of a Security that is a retail investment product, it undertakes not to request any commission or fee from the Issuer and to otherwise reject any such payment offered to it other than in circumstances where the Issuer has agreed to facilitate the payment of an adviser fee and has the express consent of the retail investor(s) to do so.

EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**"), the Dealer has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Securities which are the subject of the offering contemplated by this document in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Securities to the public in that Relevant Member State:

- (a) if the final terms in relation to the Securities specify that an offer of those Securities may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Securities which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the relevant Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;
- (b) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) at any time to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, or to supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in

that Member State, and by any measure implementing the Prospectus Directive in that Member State, and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State, and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

BELGIUM

Other than in circumstances which do not require the publication of a prospectus pursuant to the Belgian law of 16th June, 2006 on the public offering of financial instruments and the admission of financial instruments to trading on regulated markets (the "**Law on Public Offerings**"), prior to an offer of the Securities to the public in Belgium, the offer would need to be notified to the Belgian Financial Services and Markets Authority by the competent authority of the home member state of the Issuer pursuant to Article 38 of the Law on Public Offerings.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer for sale, sell or market Securities to any person qualifying as a consumer within the meaning of Article 2.3 of the Belgian law of 6th April 2010 on consumer protection and trade practices, as amended from time to time, unless such offer, sale or marketing is made in compliance with this law and its implementing regulation.

SWITZERLAND

Where no Swiss simplified prospectus is in place, the Securities may only be distributed as a private placement and may not be distributed in or from Switzerland in the meaning of article 3 of the Collective Investment Schemes Act ("**CISA**"), except to qualified investors as defined in the CISA (article 10 CISA) and the Collective Investment Schemes Ordinance ("**CISO**") (article 6 CISO), and only in compliance with all other applicable laws and regulations.

GENERAL INFORMATION

1. The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue of the Securities. The issue of the Securities will be in accordance with the Organisational Guideline and Regulation of the Issuer dated 24 October 2012. No specific resolution of the Board of Directors of the Issuer is required.
2. There has been no material adverse change in the prospects of the Issuer and its consolidated subsidiaries since 31 December 2013 except as disclosed in the Form 6-K Dated 19 May 2014. There has been no significant change in the financial or trading position of the Issuer and its consolidated subsidiaries since 31 December 2013 except as disclosed in the Form 6-K Dated 19 May 2014.
3. Except as disclosed in the Form 6-K Dated 19 May 2014, the Form 6-K Dated 2 May 2014 under the heading "Litigation" (note 29 to the condensed consolidated financial statements of the Group on page 148-149 of the exhibit to the Form 6-K Dated 2 May 2014), the Exhibit to the Form 20-F Dated 3 April 2014, under the heading "Litigation" (note 38 to the condensed consolidated financial statements of Credit Suisse Group AG on pages 330-336 of the Exhibit to the Form 20-F Dated 3 April 2014) and the Form 6-K/A Dated 3 April 2014 under the heading "Litigation" (note 29 to the condensed consolidated financial statements of Credit Suisse Group AG on pages 159-161 of the Exhibit to the Form 6-K/A Dated 3 April 2014), there are no, and have not been during the period of 12 months ending on the date of this document, governmental, legal or arbitration proceedings which may have, or have had in the past, significant effects on the Issuer's financial position or profitability, and the Issuer is not aware of any such proceedings being either pending or threatened.

As detailed in the Form 6-K filed on May 20, 2014 and incorporated by reference herein, the Issuer recently concluded a comprehensive and final settlement regarding all outstanding U.S. cross-border matters. This final settlement includes entry of a guilty plea to one count of conspiracy to assist U.S. customers in presenting false income tax returns. The settlement was reached with the Department of Justice, the New York State Department of Financial Services, the Board of Governors of the Federal Reserve System and, as previously announced, the Securities and Exchange Commission. The Issuer's global regulators have also confirmed that there is no adverse impact on its key bank licenses. The Issuer believes that this settlement is in its best interests and does not expect any material adverse impact on its business. There can be no assurance, however, that unanticipated collateral consequences of the settlement will not adversely affect the Issuer's business. The settlement illustrates the increased level of financial and reputational risk now associated with certain regulatory matters in the United States. Such unanticipated collateral consequences include the possibility that clients, counterparties and other persons or entities with whom the Issuer does business may choose to limit their future business with the Issuer as a result of the guilty plea or otherwise. The Issuer is also currently seeking a few additional waivers from certain U.S. governmental agencies and departments with respect to disqualifications that, if not obtained, would preclude it from carrying on limited U.S. business activities. If additional actions are commenced, business is lost, or other unforeseen collateral consequences arise following the settlement, the Issuer's business and results of operations could be adversely affected.

4. *Consent to use this document*

The Issuer consents to the use of this document in connection with the making of an offer of the Securities to the public requiring the prior publication of a prospectus under the Prospectus Directive (a "Non-exempt Offer") (a) by the financial intermediary/ies listed on page 79 of this Prospectus (each, an "Authorised Offeror"), (b) during the offer period, in the relevant Member State(s) and (c) subject to the relevant conditions, in each case as specified herein.

The consent shall be valid in relation to Luxembourg and each other Member State the competent authority of which has been provided with a certificate of approval by the competent authority in relation to this document under Article 18 of the Prospectus Directive, provided that it shall be a condition of such consent that this document may only be used by the relevant Authorised Offeror(s) to make offers of the relevant Securities in the jurisdiction(s) in which the Non-exempt Offer is to take place, as specified herein.

The Issuer may (a) give consent to one or more additional Authorised Offerors after the date of this Summary and Securities Note, (b) discontinue or change the offer period, and/or (c) remove or add conditions and, if it does so, a supplement to this Prospectus under Article 16 of the Prospectus Directive or a new prospectus setting out such information in relation to the relevant Securities will be published on www.bourse.lu.

The Issuer accepts responsibility for the content of this document in relation to any person (an "Investor") purchasing Securities pursuant to a Non-exempt Offer where the offer to the Investor is made (a) by an Authorised Offeror (or the Issuer or any Dealer), (b) in a Member State for which the Issuer has given its consent, (c) during the offer period for which the consent is given and (d) in compliance with the other conditions attached to the giving of the consent. However, neither the Issuer nor any Dealer has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

Other than in accordance with the terms set forth in the paragraph above, the Issuer has not authorised (and nor has any Dealer) the making of any Non-exempt Offers of the Securities or the use of this document by any person. No financial intermediary or any other person is permitted to use this document in connection with any offer of the Securities in any other circumstances. Any such offers are not made on behalf of the Issuer (or any Dealer) and neither the Issuer nor any Dealer has any responsibility or liability to any investor purchasing Securities pursuant to such offer or for the actions of any person making such offer.

Investors intending to purchase Securities from an Authorised Offeror will do so, and such offer and sale will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and the Investor, including as to price and settlement arrangements. The Issuer will not be a party to any such arrangements and, accordingly, this document does not contain such information. **The terms and conditions of such offer should be provided to the Investor by that Authorised Offeror at the time the offer is made.** Neither of the Issuer nor any Dealer has any responsibility or liability for such information.

5. Copies of the agency agreement and deeds of covenant of the Programme will be available for inspection during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the offices of the Paying Agents. In addition, copies of the

following will be available free of charge during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the offices of the Paying Agents and at the registered office of the Issuer or its London Branch, if applicable:

- (a) the Memorandum and Articles of Association of the Issuer;
 - (b) the audited accounts of the relevant Issuer for the last two years;
 - (c) a copy of this document together with any supplement to this document;
 - (d) a copy of any document incorporated by reference in this document;
 - (e) the Registration Document of the Issuer; and
 - (f) the unaudited interim accounts of the Issuer.
6. KPMG AG, Badenerstrasse 172, 8004 Zurich, Switzerland, have audited the accounts of CS. KPMG AG is a member of the Swiss Institute of Certified Accountants and tax consultants.
 7. CS's registered head office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland and the telephone number is +41 44 333 11 11. The London branch is located at One Cabot Square, London E14 4QJ, England and the telephone number is +44 207 888 8888.
 8. The Securities may be accepted for clearance through the following clearing systems (which are the entities in charge of keeping the relevant records):
 - (a) Euroclear Bank S.A./N.V. (1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium); and
 - (b) Clearstream Banking, société anonyme, Luxembourg (42 Avenue JF Kennedy, L-1855 Luxembourg).
 9. CS has been issued a senior unsecured long-term debt rating of "A (Negative Outlook)" by Standard & Poor's, a senior long-term debt rating of "A (Stable Outlook)" by Fitch and a senior long-term debt rating of "A1 (Negative Outlook)" by Moody's Inc.

Explanation of ratings as at the date of this document:

"A (Negative Outlook)" by Standard's & Poor's: An obligor rated "A" has strong capacity to meet its financial commitments but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in higher-rated categories. The rating outlook assesses the potential direction of a long-term credit rating over the intermediate term (typically six months to two years), and a negative outlook means that a rating may be lowered.

"A (Stable Outlook)" by Fitch: An "A" rating indicates high credit quality and denotes expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings. The rating outlook indicates the direction a rating is likely to move over a one- to two-year period.

"A1 (Negative Outlook)" by Moody's Inc.: Obligations rated "A" are judged to be upper-medium grade and are subject to low credit risk; the modifier "1" indicates that the obligation ranks in the higher end of its generic rating category. A negative outlook indicates a higher

likelihood of a rating change over the medium term, and the next rating action subsequent to the assignment of a negative rating has historically been a downgrade or review for possible downgrade about one half of the time.

10. If the Issuer publishes a supplement to the Prospectus pursuant to Article 16 of the Prospectus Directive which relates to the Issuer or the Securities, investors who have already agreed to purchase Securities before the supplement is published shall have the right to withdraw their acceptances by informing the Distributor in writing within 2 working days (or such other longer period as may mandatorily apply in the relevant country) of publication of the supplement. The terms and conditions of the Securities and the terms on which they are offered and issued will be subject to the provisions of any such supplement.

Registered Office of the Issuer

Credit Suisse AG, acting through its London Branch

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CH-8001, Zurich

Switzerland

Fiscal Agent and Paying Agent

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Paying Agent

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