

BASE PROSPECTUS



**Credit Suisse AG**

*(incorporated with limited liability in Switzerland)*

and

**Credit Suisse Group Finance (Guernsey) Limited**

*(incorporated with limited liability in Guernsey, Channel Islands)*

and

**Credit Suisse Group AG**

*(incorporated with limited liability in Switzerland)*

**Euro Medium Term Note Programme**

*Notes issued by Credit Suisse Group Finance (Guernsey) Limited will be unconditionally and irrevocably guaranteed by*

**Credit Suisse Group AG**

*(incorporated with limited liability in Switzerland)*

Under this Euro Medium Term Note Programme (the **Programme**), each of Credit Suisse AG, acting through its Zurich head office or a designated branch (**CS**), Credit Suisse Group Finance (Guernsey) Limited (**CSG Finance Guernsey**) and Credit Suisse Group AG (**CSG**), in its capacity as an issuer and together with CSG Finance Guernsey and CS, each an **Issuer** and together the **Issuers** may from time to time issue notes (the **Notes**) denominated in any currency agreed between the Issuer of such Notes (the **relevant Issuer**) and the relevant Dealer (as defined below).

The payments of all amounts due in respect of the Notes issued by CSG Finance Guernsey (**Guaranteed Notes**) will be unconditionally and irrevocably guaranteed by Credit Suisse Group AG (in such capacity, the **Guarantor**).

Notes may be issued in bearer, registered or uncertificated form (respectively **Bearer Notes, Registered Notes and Uncertificated Notes**).

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “*Description of the Programme*” and any additional Dealer appointed under the Programme from time to time by CSG or CS (each a **Dealer** and together the **Dealers**), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the **relevant Dealer** shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes.

**An investment in Notes issued under the Programme involves certain risks.** For a discussion of these risks, see “*Risk Factors*”.

Application has been made to the *Commission de Surveillance du Secteur Financier* (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 10th July 2005 (the **Luxembourg Act**) on prospectuses for securities to approve this document as a base prospectus. The CSSF assumes no responsibility for the economic and financial soundness of the transactions contemplated by this Base Prospectus or the quality or solvency of the Issuers in accordance with Article 7(7) of the Luxembourg Act. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange’s Regulated Market. The Luxembourg Stock Exchange’s Regulated Market is a regulated market for the purposes of Directive 2004/39/EC on Markets in Financial Instruments. Application has also been made for the Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange. In addition, application has been made to register the Programme on the SIX Swiss Exchange AG (the **SIX Swiss Exchange**). The CSSF is not the competent authority to approve this document in relation to the Swiss Global Notes and the Swiss Uncertificated Notes (as defined herein).

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under “*Terms and Conditions of the Notes*”) of Notes will be set out in the final terms (the **Final Terms**) which, with respect to Notes to be listed on the Official List of the Luxembourg Stock Exchange, will be filed with the CSSF or, in respect of Notes to be listed on the SIX Swiss Exchange, will be filed with the SIX Swiss Exchange. Copies of Final Terms in relation to Notes to be listed on the Luxembourg Stock Exchange will also be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on the Luxembourg Stock Exchange, the SIX Swiss Exchange or on such other or further stock exchanges or markets as may be agreed between the **relevant Obligors** (which expression, in relation to any Series (as defined herein) of Notes, means the relevant Issuer and, if the relevant Issuer is CSG Finance Guernsey, the Guarantor) and the relevant Dealer. The Issuers may also issue unlisted Notes and/ or Notes not admitted to trading on any market.

CS has, and issues of Notes by CS under the Programme having a maturity of one year or more have, been rated A by Standard & Poor’s Credit Market Services Europe Limited (**S&P**), A by Fitch Ratings Ltd. (**Fitch**) and A1 by Moody’s Investors Service, Inc. (**Moody’s Inc**). CSG has, and issues of Notes by CSG or of Guaranteed Notes under the Programme having in each case a maturity of one year or more have, been rated A- by S&P, A by Fitch and A2 by Moody’s Inc. Each of S&P and Fitch is established in the European Union and registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Moody’s Inc is not established in the European Union and has not applied for registration under the CRA Regulation. In general, and subject to certain exceptions (including the exception outlined below), European regulated investors

are restricted from using a credit rating for regulatory purposes if such a credit rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation unless the rating is provided by a credit rating agency operating in the European Union before 7th June 2010 which has submitted an application for registration in accordance with the CRA Regulation and such registration is not refused.

Subject to the fulfilment of the conditions set out in Article 4(3) of the CRA Regulation, a credit rating agency established in the European Union and registered in accordance with the CRA Regulation (an **EU CRA**) may endorse (for regulatory purposes in the European Union) credit ratings issued outside the European Union where (i) the credit rating activities resulting in the issuing of the credit rating are undertaken in whole or in part by a credit rating agency or credit rating agencies belonging to the same group (a **non-EU CRA**); and (ii) the EU CRA has verified and is able to demonstrate on an ongoing basis to ESMA that the conduct of the credit rating activities by the non-EU CRA resulting in the issuing of the credit rating to be endorsed fulfils requirements which are "at least as stringent as" the requirements of the CRA Regulation. Commission Implementing Decision 2012/628/EU provides that the United States legal and supervisory framework for credit rating agencies shall be considered as equivalent to the requirements of the CRA Regulation. Moody's Investors Service Limited (which has been registered under the CRA Regulation and appears on the list of registered credit rating agencies on ESMA's website - <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) currently endorses credit ratings issued by Moody's Inc for regulatory purposes in the European Union. There can be no assurance that Moody's Investors Service Limited will continue to endorse credit ratings issued by Moody's Inc.

Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will be disclosed in the applicable Final Terms and will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

## Credit Suisse

The date of this Base Prospectus is 15th May 2014.

**This Base Prospectus comprises a base prospectus in relation to each Issuer and the Guarantor for the purposes of Article 5.4 of Directive 2003/71/EC as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a Member State of the European Economic Area) (the *Prospectus Directive*) and for the purposes of the Luxembourg Act.**

**The Issuers and the Guarantor accept responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. To the best of the knowledge of the Issuers and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.**

**Copies of Final Terms will be available from the registered office of the relevant Issuer and the specified office set out below of each of the Paying Agents (as defined below).**

**This Base Prospectus is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see “*Documents Incorporated by Reference*”). This Base Prospectus shall be read and construed on the basis that such documents are incorporated by reference and form part of this Base Prospectus.**

**Investors should consult the Issuer should they wish to obtain further information in respect of the operation of any provision in the Terms and Conditions that references the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series).**

**The Dealers have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuers or the Guarantor in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Issuers or the Guarantor in connection with the Programme.**

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

**Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuers, the Guarantor or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuers and/or the Guarantor. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of the Issuers or the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.**

**Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Issuers and/or the Guarantor is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.**

**The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the *Securities Act*) and the Notes in bearer form are subject to U.S. tax law**

requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see "*Subscription and Sale*").

The Notes may not be offered or sold to or held by any person resident for the purposes of the Income Tax (Guernsey) Law 1975 in the Islands of Guernsey, Alderney or Herm, Channel Islands.

## IMPORTANT INFORMATION RELATING TO NON-EXEMPT OFFERS OF NOTES

### Restrictions on Non-exempt offers of Notes in Relevant Member States

Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a **Non-exempt Offer**. This Base Prospectus has been prepared on a basis that permits Non-exempt Offers of Notes in each Member State in relation to which the relevant Issuer has given its consent, as specified in the applicable Final Terms (each specified Member State a **Non-exempt Jurisdiction** and together the **Non-exempt Jurisdictions**). Any person making or intending to make a Non-exempt Offer of Notes on the basis of this Base Prospectus must do so only with the relevant Issuer's consent to the use of this Base Prospectus as provided under "*Consent given in accordance with Article 3.2 of the Prospectus Directive*" and provided such person complies with the conditions attached to that consent.

Save as provided above, none of the Issuers, the Guarantor nor any Dealer has authorised, nor do they authorise, the making of any Non-exempt Offer of Notes in circumstances in which an obligation arises for an Issuer, the Guarantor or any Dealer to publish or supplement a prospectus for such offer.

### Consent given in accordance with Article 3.2 of the Prospectus Directive

In the context of a Non-exempt Offer of such Notes, the relevant Issuer and, in the case of Guaranteed Notes, the Guarantor accept responsibility, in each of the Non-exempt Jurisdictions, for the content of this Base Prospectus in relation to any person (an **Investor**) who purchases any Notes in a Non-exempt Offer made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period specified in the applicable Final Terms and provided that the conditions attached to the giving of consent for the use of this Base Prospectus are complied with. The consent and conditions attached to it are set out under "*Consent*" and "*Common Conditions to Consent*" below.

None of the Issuers, the Guarantor or any Dealer makes any representation as to the compliance by an Authorised Offeror with any applicable conduct of business rules or other applicable regulatory or securities law requirements in relation to any Non-exempt Offer and none of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or any Dealer has any responsibility or liability for the actions of that Authorised Offeror.

**Except in the circumstances set out in the following paragraphs, none of the Issuers, the Guarantor nor any Dealer has authorised the making of any Non-exempt Offer by any offeror and the Issuers and the Guarantor have not consented to the use of this Base Prospectus by any other person in connection with any Non-exempt Offer of Notes. Any Non-exempt Offer made without the consent of the Issuers and the Guarantor is unauthorised and none of the Issuers, the Guarantor nor any Dealer accepts any responsibility or liability for the actions of the persons making any such unauthorised offer.** If, in the context of a Non-exempt Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with that person whether anyone is responsible for this Base Prospectus for the purposes of the relevant Non-exempt Offer and, if so, who that person is. If the Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents it should take legal advice.

### *Consent*

In connection with each Tranche of Notes and subject to the conditions set out below under "*Common Conditions to Consent*":

#### *Specific consent*

- (a) each of the relevant Issuer and, in the case of Guaranteed Notes, the Guarantor consents to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of such Notes during the relevant Offer Period stated in the applicable Final Terms by:
  - (i) the relevant Dealer(s) or Manager(s) stated in the applicable Final Terms;

- (ii) any financial intermediaries specified in the applicable Final Terms;
- (iii) any other financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of CS and CSG ([www.credit-suisse.com](http://www.credit-suisse.com)) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer; and

#### *General consent*

- (b) if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable", each of the relevant Issuer and, in the case of Guaranteed Notes, the Guarantor hereby offers to grant its consent to the use of this Base Prospectus (as supplemented as at the relevant time, if applicable) in connection with a Non-exempt Offer of Notes during the relevant Offer Period stated in the applicable Final Terms by any other financial intermediary which satisfies the following conditions:
  - (i) it is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive (Directive 2004/39/EC); and
  - (ii) it accepts the relevant Issuer's offer to grant consent to the use of this Base Prospectus by publishing on its website the following statement (with the information in square brackets completed with the relevant information) (the **Acceptance Statement**):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the **Notes**) described in the Final Terms dated [insert date] (the **Final Terms**) published by [insert relevant Issuer] (the **Issuer**). In consideration of the Issuer [and the Guarantor] offering to grant [its/their] consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [[the United Kingdom] [and] [the Netherlands] [and] [Ireland] [and] [Luxembourg]] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer [and the Guarantor] in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and we are using the Base prospectus accordingly."*

The **Authorised Offeror Terms**, being the terms to which the relevant financial intermediary agrees in connection with the use of this Base Prospectus, are that the relevant financial intermediary:

- (A) will, and it agrees, represents, warrants and undertakes for the benefit of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer that it will, at all times in connection with the relevant Non-exempt Offer:
  - I. act in accordance with, and be solely responsible for complying with, all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the **Rules**) from time to time including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;
  - II. comply with the restrictions set out under "*Subscription and Sale*" in this Base Prospectus which would apply as if it were a Dealer;
  - III. ensure that any fee (and any other commissions or benefits of any kind) received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and, to the extent required by the Rules, is fully and clearly disclosed to Investors or potential Investors;
  - IV. hold all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
  - V. comply with applicable anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules (including, without limitation, taking appropriate steps, in compliance with such Rules, to establish and document the identity of each potential Investor prior to initial investment in any Notes by the Investor), and will not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the application monies;

- VI. retain Investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the relevant Dealer, the relevant Issuer and the Guarantor (in the case of Guaranteed Notes) or directly to the appropriate authorities with jurisdiction over the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and/or the relevant Dealer in order to enable the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and/or the relevant Dealer to comply with anti-money laundering, anti-bribery, anti-corruption and "know your client" Rules applying to the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and/or the relevant Dealer;
- VII. ensure that it does not, directly or indirectly, cause the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer to breach any Rule or subject the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- VIII. immediately inform the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer if at any time it becomes aware or suspects that it is or may be in violation of any Rules and take all appropriate steps to remedy such violation and comply with such Rules in all respects;
- IX. comply with the conditions to the consent referred to under "Common conditions to consent" below and any further requirements or other Authorised Offeror Terms relevant to the Non-exempt Offer as specified in the applicable Final Terms;
- X. make available to each potential Investor in the Notes this Base Prospectus (as supplemented as at the relevant time, if applicable), the applicable Final Terms and any applicable information booklet provided by the relevant Issuer and/or the Guarantor (in the case of Guaranteed Notes) for such purpose, and not convey or publish any information that is not contained in or entirely consistent with the Base Prospectus and the applicable Final Terms;
- XI. if it conveys or publishes any communication (other than this Base Prospectus or any other materials provided to such financial intermediary by or on behalf of the relevant Issuer and/or the Guarantor (in the case of Guaranteed Notes) for the purposes of the relevant Non-exempt Offer) in connection with the relevant Non-exempt Offer, it will ensure that such communication (A) is fair, clear and not misleading and complies with the Rules, (B) states that such financial intermediary has provided such communication independently of the relevant Issuer and the Guarantor (in the case of Guaranteed Notes), that such financial intermediary is solely responsible for such communication and that none of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer accepts any responsibility for such communication and (C) does not, without the prior written consent of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer (as applicable), use the legal or publicity names of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest, except to describe the relevant Issuer as issuer of the relevant Notes and, in the case of Guaranteed Notes, the Guarantor as guarantor of the relevant Guaranteed Notes on the basis set out in this Base Prospectus;
- XII. ensure that no holder of Notes or potential Investor in Notes shall become an indirect or direct client of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- XIII. co-operate with the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer in providing such information (including, without limitation, documents and records maintained pursuant to paragraph (VI) above) upon written request from the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer;

- (i) in connection with any request or investigation by any regulator in relation to the Notes, the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer; and/or
- (ii) in connection with any complaints received by the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and/or the relevant Dealer relating to the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and/or the relevant Dealer or another Authorised Offeror including, without limitation, complaints as defined in rules published by any regulator of competent jurisdiction from time to time; and/or
- (iii) which the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer may reasonably require from time to time in relation to the Notes and/or as to allow the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer fully to comply with its own legal, tax and regulatory requirements,

in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process;

XIV. during the period of the initial offering of the Notes: (i) only sell the Notes at the Issue Price specified in the applicable Final Terms (unless otherwise agreed with the relevant Dealer); (ii) only sell the Notes for settlement on the Issue Date specified in the applicable Final Terms; (iii) not appoint any sub-distributors (unless otherwise agreed with the relevant Dealer); (iv) not pay any fee or remuneration or commissions or benefits to any third parties in relation to the offering or sale of the Notes (unless otherwise agreed with the relevant Dealer); and (v) comply with such other rules of conduct as may be reasonably required and specified by the relevant Dealer;

XIV. either (i) obtain from each potential Investor an executed application for the Notes, or (ii) keep a record of all requests such financial intermediary (x) makes for its discretionary management clients, (y) receives from its advisory clients and (z) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules; and

(B) agrees and undertakes to indemnify each of the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the relevant Dealer (in each case on behalf of such entity and its respective directors, officers, employees, agents, affiliates and controlling persons) against any losses, liabilities, costs, claims, charges, expenses, actions or demands (including reasonable costs of investigation and any defence raised thereto and counsel's fees and disbursements associated with any such investigation or defence) which any of them may incur or which may be made against any of them arising out of or in relation to, or in connection with, any breach of any of the foregoing agreements, representations, warranties or undertakings by such financial intermediary, including (without limitation) any unauthorised action by such financial intermediary or failure by such financial intermediary to observe any of the above restrictions or requirements or the making by such financial intermediary of any unauthorised representation or the giving or use by it of any information which has not been authorised for such purposes by the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) or the relevant Dealer; and

(C) agrees and accepts that:

I. the contract between the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the financial intermediary formed upon acceptance by the financial intermediary of the offer by the relevant Issuer and the Guarantor (in the case of Guaranteed Notes) to use this Base Prospectus with the consent the relevant Issuer and the Guarantor (in the case of Guaranteed Notes) in connection with the relevant Non-exempt Offer (the **Authorised Offeror Contract**), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;

II. subject to (IV) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Authorised Offeror Contract (including any dispute relating to any non-contractual obligations arising out of or in connection with the Authorised

Offeror Contract) (a **Dispute**) and the relevant Issuer, the Guarantor (in the case of Guaranteed Notes) and the financial intermediary submit to the exclusive jurisdiction of the English courts;

- III. for the purposes of (C)(II) and (IV), the financial intermediary waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any dispute;
- IV. to the extent allowed by law, the Issuer, the Guarantor (in the case of Guaranteed Notes) and each relevant Dealer may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions; and
- V. each relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit, including the agreements, representations, warranties, undertakings and indemnity given by the financial intermediary pursuant to the Authorised Offeror Terms.

The financial intermediaries referred to in paragraphs (a)(ii), (a)(iii) and (b) above are together the **Authorised Offerors** and each an **Authorised Offeror**.

**Any Authorised Offeror falling within (b) above who meets the conditions set out in (b) and the other conditions stated in "Common Conditions to Consent" below and who wishes to use this Base Prospectus in connection with a Non-exempt Offer is required, for the duration of the relevant Offer Period, to publish on its website the Acceptance Statement.**

#### ***Common Conditions to Consent***

The conditions to the consent to the use of this Base Prospectus in the context of the relevant Non-exempt Offer are (in addition to the conditions described in paragraph (b) above if Part B of the applicable Final Terms specifies "*General Consent*" as "*Applicable*") that such consent:

- (i) is only valid during the Offer Period specified in the applicable Final Terms; and
- (ii) only extends to the use of this Base Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in one or more of the United Kingdom, the Netherlands, Ireland and Luxembourg, as specified in the applicable Final Terms.

The consent referred to above relates to Offer Periods (if any) occurring within 12 months from the date of this Base Prospectus.

The only relevant Member States which may, in respect of any Tranche of Notes, be specified in the applicable Final Terms (if any relevant Member States are so specified) as indicated in (ii) above, will be the United Kingdom, the Netherlands, Ireland and Luxembourg, and accordingly each Tranche of Notes may only be offered to Investors as part of a Non-exempt Offer in the United Kingdom, the Netherlands, Ireland and Luxembourg, as specified in the applicable Final Terms, as specified in the applicable Final Terms, or otherwise in circumstances in which no obligation arises for the Issuer, the Guarantor (in the case of Guaranteed Notes) or any Dealer to publish or supplement a prospectus for such offer. Note that Member States where non-exempt offers are expected to be made must be set out in the Base Prospectus

#### **ARRANGEMENTS BETWEEN INVESTORS AND AUTHORISED OFFERORS**

**AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE NON-EXEMPT OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE RELEVANT INFORMATION WILL BE PROVIDED BY THE**

**AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER. NONE OF THE ISSUERS, THE GUARANTOR AND ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF THE INFORMATION DESCRIBED ABOVE.**

**IMPORTANT INFORMATION RELATING TO THE USE OF THIS BASE PROSPECTUS  
AND OFFERS OF NOTES GENERALLY**

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated in the applicable Final Terms, no action has been taken by the Issuers, the Guarantor or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Luxembourg), Guernsey, Australia, Singapore, Canada and Japan, see “*Subscription and Sale*”.

There is no specific category of potential investor to which the Notes may be offered. Instead, the investors to which any such Non-exempt Offer is made are all those investors in each Non-exempt Jurisdiction to which that Non-exempt Offer is made by a Dealer or an Authorised Offeror.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor’s currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of financial markets; and
- (v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

**PRESENTATION OF INFORMATION**

In this Base Prospectus, all references:

- *U.S. dollars, USD, U.S.\$* and \$ refer to United States dollars;
- *francs* or *CHF* refer to Swiss francs;
- *Sterling* and £ refer to pounds sterling; and
- *euro* and € refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended.

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## STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilisation Manager(s) (or persons acting on behalf of a Stabilisation Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

## SUMMARY OF THE PROGRAMME IN RELATION TO THE NOTES OTHER THAN NOTES LISTED ON THE SIX SWISS EXCHANGE

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 the Notes, the Issuers and the Guarantor. 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 a summary because of the type of securities, issuer and guarantor, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary explaining why it is not applicable.

### Section A – Introduction and warnings

Element	Title	
A.1	Introduction and warnings	<p>This summary should be read as an introduction to the Base Prospectus and the applicable Final Terms. Any decision to invest in the securities should be based on a consideration of this Base Prospectus as a whole, including any documents incorporated by reference and the applicable Final Terms. Where a claim relating to information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating the Base Prospectus and the applicable Final Terms before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation of it, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus and the applicable Final Terms or, following the implementation of the relevant provisions of Directive 2010/73/EU in the relevant Member State, it does not provide, when read together with the other parts of this Base Prospectus and the applicable Final Terms, key information in order to aid investors when considering whether to invest in such securities.</p>
A.2	Consent to use the Prospectus for subsequent resale or final placement by financial intermediaries	<p>Certain Tranches of Notes with a denomination of less than €100,000 (or its equivalent in any other currency) may be offered in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to as a <b>Non-exempt Offer</b>.<sup>1</sup></p> <p><i>Consent:</i> Subject to the conditions set out below, [each of] the Issuer [and the Guarantor] consent to the use of this Base Prospectus in connection with a Non-exempt Offer of Notes by the Managers[, [ ],] [and] [each financial intermediary whose name is published on the website of CS and CSG (www.credit-suisse.com) and identified as an Authorised Offeror in respect of the relevant Non-exempt Offer] [and any financial intermediary which is authorised to make such offers under applicable legislation implementing the Markets in Financial Instruments Directive</p>

<sup>1</sup> Delete this paragraph when preparing an issue specific summary.

Element	Title	
		<p>(Directive 2004/39/EC) and publishes on its website the following statement (with the information in square brackets being completed with the relevant information):</p> <p><i>"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the <b>Notes</b>) described in the Final Terms dated [insert date] (the <b>Final Terms</b>) published by [insert name of relevant Issuer] (the <b>Issuer</b>). In consideration of the Issuer [and the Guarantor] offering to grant its consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [[the United Kingdom] [and] [the Netherlands] [and] [Ireland] [and] [Luxembourg]] during the Offer Period and subject to the other conditions to such consent, each as specified in the Base Prospectus, we hereby accept the offer by the Issuer [and the Guarantor] in accordance with the Authorised Offeror Terms (as specified in the Base Prospectus) and we are using the Base Prospectus accordingly."</i></p>
		<p><i>Offer period:</i> The consent of the Issuer [and the Guarantor] referred to above is given for Non-exempt Offers of Notes during [offer period for the issue to be specified here] (the <b>Offer Period</b>).</p> <p><i>Conditions to consent:</i> The conditions to the consent of the Issuer [and the Guarantor] [(in addition to the conditions referred to above)] are that such consent (a) is only valid during the Offer Period; and (b) only extends to the use of this Prospectus to make Non-exempt Offers of the relevant Tranche of Notes in [the United Kingdom] [and] [the Netherlands] [and] [Ireland] [and] [Luxembourg]].</p> <p><b>AN INVESTOR INTENDING TO PURCHASE OR PURCHASING ANY NOTES IN A NON-EXEMPT OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE OFFER IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS IN RELATION TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. THE TERMS AND CONDITIONS WILL BE PROVIDED BY THE AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER.]</b></p>

#### Section B – Issuer [and Guarantor]

Element	Title	
<b>B.1</b>	Legal and commercial name[s] of the Issuer[ and the Guarantor]	<p>[Credit Suisse AG (<b>CS</b>), acting through its [Zurich head office][specify designated branch]]</p> <p>[Credit Suisse Group Finance (Guernsey) Limited (<b>CSG Finance Guernsey</b>)]</p> <p>[Credit Suisse Group AG ([<b>CSG</b>][[<b>CSG</b> or the <b>Guarantor</b>]])].]</p> <p>[The commercial name of [CS/CSG] is "Credit Suisse".]</p>

Element	Title																																			
B.2	Domicile/ legal form/ legislation/ country of incorporation	<p>[CS was incorporated under Swiss law as a corporation (<i>Aktiengesellschaft</i>) on 5th July 1856 in Zurich, Switzerland and operates under Swiss law. Its registered head office is in Zurich, Switzerland.]</p> <p>[CSG Finance Guernsey was incorporated as a company limited by shares under Guernsey law on 26th August 1994 in Guernsey and operates under Guernsey law. Its registered office is in Guernsey.]</p> <p>[CSG was incorporated under Swiss law as a corporation (<i>Aktiengesellschaft</i>) on 3rd March 1982 in Zurich, Switzerland and operates under Swiss law. Its registered and principal executive office is in Zurich, Switzerland.]</p>																																		
B.4b	Trend information	<p>[Not Applicable - There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Issuer [or the Guarantor] for its current financial year.]</p>																																		
B.5	Description of the Group	<p>[CSG Finance Guernsey is a finance company, 100 per cent. owned by Credit Suisse Group AG (<b>CSG</b>) (together with CSG and its consolidated subsidiaries, the <b>Group</b>).]</p> <p>[CSG is a global financial services company and is the parent company of the CSG group consisting of CSG and its consolidated subsidiaries (together, the <b>Group</b>).]</p> <p>[CS is a Swiss bank and a wholly owned subsidiary of Credit Suisse Group AG (<b>CSG</b>), a global financial services company.]</p>																																		
B.9	Profit forecast or estimate	<p>[Not Applicable – No profit forecasts or estimates have been made.]</p>																																		
B.10	Audit report qualifications	<p>[Not Applicable – No qualifications are contained in any audit or review report.]</p>																																		
B.12	<p>[Selected historical key financial information of CS:</p> <p>The tables below set out summary information derived from the audited consolidated financial statements of CS as of 31st December 2013 and 2012, and for each of the years in the three-year period ended 31st December 2013 and the unaudited condensed consolidated financial statements of CS as of 31st March 2014 and 2013 and for the three month periods then ended:</p> <p><i>CS Statement of Operations</i></p> <table><tr><th>Year ended 31st December (CHF million)</th><th>2013</th><th>2012</th><th>2011</th></tr><tr><td>Net revenues .....</td><td>25,330</td><td>23,178</td><td>24,853</td></tr><tr><td>Provision for credit losses .....</td><td>93</td><td>88</td><td>123</td></tr><tr><td>Total operating expenses .....</td><td>21,567</td><td>21,108</td><td>22,219</td></tr><tr><td>Income from continuing operations before taxes.....</td><td>3,670</td><td>1,982</td><td>2,511</td></tr><tr><td>Income tax expense .....</td><td>1,177</td><td>447</td><td>444</td></tr><tr><td>Income from continuing operations .....</td><td>2,493</td><td>1,535</td><td>2,067</td></tr><tr><td>Income/(loss) from discontinued operations, net of tax...</td><td>145</td><td>(40)</td><td>(25)</td></tr></table>				Year ended 31st December (CHF million)	2013	2012	2011	Net revenues .....	25,330	23,178	24,853	Provision for credit losses .....	93	88	123	Total operating expenses .....	21,567	21,108	22,219	Income from continuing operations before taxes.....	3,670	1,982	2,511	Income tax expense .....	1,177	447	444	Income from continuing operations .....	2,493	1,535	2,067	Income/(loss) from discontinued operations, net of tax...	145	(40)	(25)
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Element	Title			
	Net income .....	2,638	1,495	2,042
	Net income/(loss) attributable to noncontrolling interests.....	860	(600)	901
	Net income attributable to shareholder .....	1,778	2,095	1,141
	<b>Quarter ended 31st March (CHF million)</b>	<b>1Q14</b>	<b>1Q13</b>	
	Net revenues .....	6,751	7,000	
	Provision for credit losses .....	19	2	
	Total operating expenses .....	5,076	5,220	
	Income from continuing operations before taxes.....	1,656	1,778	
	Income tax expense .....	524	473	
	Income from continuing operations .....	1,132	1,305	
	Income/(loss) from discontinued operations, net of tax...	15	6	
	Net income .....	1,147	1,311	
	Net income/(loss) attributable to noncontrolling interests.....	155	215	
	Net income attributable to shareholder .....	992	1,096	
	<i>CS Balance Sheet</i>			
	<b>(CHF million)</b>	<b>31st December 2013</b>	<b>31st December 2012</b>	
	Total assets .....	854,412	908,160	
	Total liabilities .....	810,849	865,999	
	Total shareholder's equity .....	39,992	34,767	
	Noncontrolling interests .....	3,571	7,394	
	Total equity .....	43,563	42,161	
	Total liabilities and equity .....	854,412	908,160	
	<b>(CHF million)</b>	<b>(unaudited) 31st March 2014</b>	<b>(unaudited) 31st March 2013</b>	
	Total assets .....	859,132	929,719	
	Total liabilities .....	817,086	885,698	
	Total shareholder's equity .....	41,062	36,205	
	Noncontrolling interests .....	984	7,816	
	Total equity .....	42,046	44,021	
	Total liabilities and equity .....	859,132	929,719	
	<i>CS statements of no significant or material adverse change</i>			
	There has been no significant change in the financial position of CS since 31st December 2013 and there has been no material adverse change in the prospects of CS since 31st December 2013.]			

Element	Title																																																																											
	<p>[Selected historical key financial information of CSG Finance Guernsey:</p> <p>The tables below set out summary information derived from the audited financial statements of CSG Finance Guernsey as of 31st December 2013 and 2012, and for each of the years in the two-year period ended 31st December 2013:</p> <p><i>CSG Finance Guernsey Income Statement</i></p> <table><tr><th>Year ended 31st December</th><th>2013</th><th>2012</th></tr><tr><td></td><th>U.S.\$'000</th><th>U.S.\$'000</th></tr><tr><td>Net operating income .....</td><td>1,833</td><td>1,345</td></tr><tr><td>Operating expenses.....</td><td>(1,793)</td><td>(2,840)</td></tr><tr><td>Net income / (loss) .....</td><td>40</td><td>(1,495)</td></tr></table> <p><i>CSG Finance Guernsey Balance Sheet</i></p> <table><tr><th>As at 31st December</th><th>2013</th><th>2012</th></tr><tr><td></td><th>U.S.\$'000</th><th>U.S.\$'000</th></tr><tr><td>Total assets .....</td><td>2,074,601</td><td>4,151,052</td></tr><tr><td>Total liabilities .....</td><td>2,072,173</td><td>4,165,704</td></tr><tr><td>Shareholders' equity .....</td><td>2,428</td><td>(14,652)</td></tr><tr><td>Total liabilities and shareholders' equity.....</td><td>2,074,601</td><td>4,151,052</td></tr></table> <p><i>CSG Finance Guernsey statements of no significant or material adverse change</i></p> <p>There has been no significant change in the financial or trading position of CSG Finance Guernsey since 31st December 2013 and there has been no material adverse change in the prospects of CSG Finance Guernsey since 31st December 2013.]</p> <p>[Selected historical key financial information of CSG:</p> <p>The tables below set out summary information derived from the audited consolidated financial statements of CSG as of 31st December 2013 and 2012, and for each of the years in the three-year period ended 31st December 2013 and the unaudited condensed consolidated financial statements of CSG as of 31st March 2014 and 2013 and for the three month periods then ended:</p> <p><i>CSG Statement of Operations</i></p> <table><tr><th>Year ended 31st December (CHF million)</th><th>2013</th><th>2012</th><th>2011</th></tr><tr><td>Net revenues .....</td><td>25,856</td><td>23,611</td><td>25,891</td></tr><tr><td>Provision for credit losses .....</td><td>167</td><td>170</td><td>187</td></tr><tr><td>Total operating expenses .....</td><td>21,593</td><td>21,251</td><td>22,233</td></tr><tr><td>Income from continuing operations before taxes.....</td><td>4,096</td><td>2,190</td><td>3,471</td></tr><tr><td>Income tax expense .....</td><td>1,276</td><td>465</td><td>656</td></tr><tr><td>Income from continuing operations .....</td><td>2,820</td><td>1,725</td><td>2,815</td></tr><tr><td>Income/(loss) from discontinued operations, net of tax...</td><td>145</td><td>(40)</td><td>(25)</td></tr><tr><td>Net income .....</td><td>2,965</td><td>1,685</td><td>2,790</td></tr><tr><td>Net income attributable to noncontrolling interests .....</td><td>639</td><td>336</td><td>837</td></tr></table>			Year ended 31st December	2013	2012		U.S.\$'000	U.S.\$'000	Net operating income .....	1,833	1,345	Operating expenses.....	(1,793)	(2,840)	Net income / (loss) .....	40	(1,495)	As at 31st December	2013	2012		U.S.\$'000	U.S.\$'000	Total assets .....	2,074,601	4,151,052	Total liabilities .....	2,072,173	4,165,704	Shareholders' equity .....	2,428	(14,652)	Total liabilities and shareholders' equity.....	2,074,601	4,151,052	Year ended 31st December (CHF million)	2013	2012	2011	Net revenues .....	25,856	23,611	25,891	Provision for credit losses .....	167	170	187	Total operating expenses .....	21,593	21,251	22,233	Income from continuing operations before taxes.....	4,096	2,190	3,471	Income tax expense .....	1,276	465	656	Income from continuing operations .....	2,820	1,725	2,815	Income/(loss) from discontinued operations, net of tax...	145	(40)	(25)	Net income .....	2,965	1,685	2,790	Net income attributable to noncontrolling interests .....	639	336	837
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Element	Title		
	Net income attributable to shareholders .....	2,326	1,349 1,953
	<b>Quarter ended 31st March (CHF million)</b>	<b>1Q14</b>	<b>1Q13</b>
	Net revenues .....	6,829	7,089
	Provision for credit losses .....	34	22
	Total operating expenses .....	5,052	5,193
	Income from continuing operations before taxes .....	1,743	1,874
	Income tax expense .....	543	499
	Income from continuing operations .....	1,200	1,375
	Income/(loss) from discontinued operations, net of tax ...	15	6
	Net income .....	1,215	1,381
	Net income/(loss) attributable to noncontrolling interests .....	356	78
	Net income attributable to shareholders .....	859	1,303
	<i>CSG Balance Sheet</i>		
	<b>(CHF million)</b>	<b>31st December 2013</b>	<b>31st December 2012</b>
	Total assets .....	872,806	924,280
	Total liabilities .....	825,640	881,996
	Total shareholders' equity .....	42,164	35,498
	Noncontrolling interests .....	5,002	6,786
	Total equity .....	47,166	42,284
	Total liabilities and equity .....	872,806	924,280
	<b>(CHF million)</b>	<b>(unaudited) 31st March 2014</b>	<b>(unaudited) 31st March 2013</b>
	Total assets .....	878,090	946,618
	Total liabilities .....	833,808	901,672
	Total shareholders' equity .....	43,230	37,825
	Noncontrolling interests .....	1,052	7,121
	Total equity .....	44,282	44,946
	Total liabilities and equity .....	878,090	946,618
	<i>CSG statements of no significant or material adverse change</i>		
	There has been no significant change in the financial position of CSG since 31st March 2014 and there has been no material adverse change in the prospects of CSG since 31st December 2013.]		
<b>B.13</b>	Events impacting the solvency of the Issuer [or the Guarantor]	[Not Applicable - There are no recent events particular to the Issuer [or the Guarantor] which are to a material extent relevant to the evaluation of any of their solvency.]	
<b>B.14</b>	Dependence upon other group	See also B.5 above.	

Element	Title	
	entities	<p>[Because CS is the sole substantial subsidiary of CSG the business of CSG is substantially that of CS and CSG is dependent upon CS for these purposes.]</p> <p>[Not applicable; CS is not dependent upon other members of its group.]</p> <p>[CSG Finance Guernsey is a finance vehicle established by CSG for the purpose of raising finance and on-lending the proceeds within the Group. CSG Finance Guernsey is therefore dependent upon other members of the Group paying interest on and repaying their loans in a timely fashion to meet its financial obligations.]</p>
<b>B.15</b>	Principal activities	<p>[The principal activities of [CS][CSG] are the provision of financial services in the areas of private banking, investment banking and asset management.]</p> <p>[The principal activity of CSG Finance Guernsey is to issue debt securities, the proceeds of which will be advanced to, or otherwise invested in, subsidiaries or affiliates of CSG.]</p>
<b>B.16</b>	Owning and Controlling shareholders	<p>[[CS][CSG Finance Guernsey] is wholly owned by CSG.]</p> <p>[Not applicable; CSG is not aware of any shareholder or group of connected shareholders who directly or indirectly control CSG]</p>
<b>B.17</b>	Credit ratings	<p>[CS has, and issues of Notes by CS under the Programme having a maturity of one year or more have, been rated A by Standard &amp; Poor's Credit Market Services Europe Limited (<b>S&amp;P</b>), A by Fitch Ratings Ltd. (<b>Fitch</b>) and A1 by Moody's Investors Service, Inc. (<b>Moody's Inc.</b>).]</p> <p>[CSG has, and issues of Notes by or guaranteed by CSG having in each case a maturity of one year or more have, been rated A- by S&amp;P, A by Fitch and A2 by Moody's Inc.]</p> <p>Notes issued under the Programme may be rated or unrated by any one or more of the rating agencies referred to above. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating assigned to the Programme by the relevant rating agency.<sup>2</sup></p> <p>[The Notes [have been/are expected to be] rated [<i>specify rating(s) of Tranche being issued</i>] by [<i>specify rating agent(s)</i>].]</p> <p>A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.</p> <p>[Not Applicable – No ratings have been assigned to the</p>

<sup>2</sup> Delete the preceding wording in item B.17 when preparing an issue specific summary.

Element	Title	
		Notes at the request of or with the co-operation of the Issuer in the rating process.]
[B.18]	Description of the Guarantee	The Notes will be unconditionally and irrevocably guaranteed by the Guarantor (the <b>Guarantee</b> ). The obligations of the Guarantor under the Guarantee will be unconditional, unsecured and unsubordinated obligations of the Guarantor and will rank <i>pari passu</i> with all other present or future unsecured and unsubordinated obligations of the Guarantor, except for such preferences as are provided by any mandatory applicable provision of law.]
[B.19]	Information about the Guarantor	Information about the Guarantor is set out in this Section B]

### Section C – Securities

Element	Title	
C.1	Description of the type and class of the Notes, including any security identification number	<p>[The Notes described in this section are debt securities with a denomination of less than €100,000 (or its equivalent in any other currency).] The Notes to be issued under the Programme may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or a combination of the foregoing.<sup>3</sup></p> <p>The Notes are [£/€/U.S.\$/other] ● [● per cent./Floating Rate/Zero Coupon] Notes due ● issued in denominations of ●.</p> <p>International Securities Identification Number (ISIN): ●</p> <p>Common Code: ●</p> <p>[Other: ●]</p> <p>[The Notes will be consolidated and form a single series with [provide issue amount/maturity date/issue date of earlier Tranches] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, which is expected to occur on or about [date]]]</p>
C.2	Currency	<p>Subject to compliance with all applicable laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer and the relevant Dealer at the time of issue.</p> <p>The currency of this Series of Notes is [Pounds Sterling (£)/Euro (€)/U.S. dollars (U.S.\$)/Other ●].</p>
C.5	Restrictions on transferability	Not Applicable - There are no restrictions on the free transferability of the Notes.
C.8	Rights attached to the Notes, including ranking and limitations	The Notes will have terms and conditions relating to, among other matters those summarised below:

<sup>3</sup> Delete this paragraph when preparing an issue specific summary.

Element	Title	
	on those rights	
		<p>The rights attached to the Notes include:</p> <p><b><i>Negative pledge</i></b></p> <p>[Neither t/T]he terms of the Notes [nor the Guarantee] will [not] contain a negative pledge provision.</p> <p><b><i>Events of default</i></b></p> <p>The terms of the Notes will contain, amongst others, the following events of default:</p> <ul style="list-style-type: none"> <li>(a) default in payment of any principal or interest due in respect of the Notes, continuing for a specified period of time;</li> <li>(b) non-performance or non-compliance by the Issuer [or the Guarantor] of any of [its/their respective] other obligations under the Notes [or the Guarantee] continuing for a specified period of time; [and]</li> <li>(c) events relating to the insolvency or winding up of the Issuer [or the Guarantor][; and]</li> <li>(d) the Guarantee ceases to be in full force and effect].</li> </ul> <p><b><i>Governing law</i></b></p> <p>English law.</p> <p>The ranking of the Notes will be as follows:</p> <p><b><i>Status (Ranking)</i></b></p> <p>The Notes will constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preferences as are provided by any mandatory applicable provision of law.</p> <p>Certain limitations on those rights relate to:</p> <p><b><i>Meetings</i></b></p> <p>The terms of the Notes will contain provisions for calling meetings of holders of such Notes to consider matters affecting their interests generally. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.</p> <p><b><i>Taxation</i></b></p> <p>All payments in respect of Notes will be made without deduction for or on account of withholding taxes unless</p>

Element	Title	
		required by law. In the event any such deduction is imposed by [Guernsey][ <i>specify jurisdiction of designated branch (if any)</i> ] [and] [Switzerland], the Issuer [or, as the case may be, the Guarantor] will, save in certain limited circumstances, be required to pay additional amounts to cover the amounts so deducted.
C.9	Interest/Redemption	<p>[All payments in respect of the Notes will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the <b>Code</b>) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or any law implementing an intergovernmental approach thereto.]</p> <p>See also C.8 above.</p> <p><b>Interest</b></p> <p>Notes may or may not bear interest. Interest-bearing Notes will either bear interest payable at a fixed rate or a floating rate.<sup>4</sup></p> <p>[The Notes bear interest [from their date of issue/from ●] at the fixed rate of ● per cent. per annum. The yield of the Notes is ● per cent. Interest will be paid [annually] in arrear on ● in each year. The first interest payment will be made on ●.]</p> <p>[The Notes bear interest [from their date of issue/from ●] at the floating rate calculated by reference to [<i>specify reference rate for Notes being issued</i>] [plus/minus] a margin of ● per cent. Interest will be paid [semi-annually] in arrear on ● and ● in each year, subject to adjustment for non-business days. The first interest payment will be made on ●.</p> <p>[The Notes do not bear any interest [and will be offered and sold at a discount to their nominal amount].]</p> <p><b>Redemption</b></p> <p>The terms under which Notes may be redeemed (including the maturity date and the price at which they will be redeemed on the maturity date as well as any provisions relating to early redemption) will be agreed between the Issuer and the relevant Dealer at the time of issue of the relevant Notes.<sup>5</sup></p> <p>Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [●] at [par/●]</p>

<sup>4</sup> Delete this paragraph when preparing an issue specific summary.

<sup>5</sup> Delete this paragraph when preparing an issue specific summary.

Element	Title	
	Representative of the debt security holders	<p>per cent. of their nominal amount].</p> <p><i>(N.B. The Notes will only be redeemed at an amount other than par in the case of certain Zero Coupon Notes)</i></p> <p>The Notes may be redeemed early for tax reasons [or at the option of the Issuer (Issuer Call)] [or at the option of the Noteholders (Investor Put)] at [specify the early redemption price and any maximum or minimum redemption amounts, applicable to the Notes being issued].</p> <p><b>Representative of holders</b></p> <p>[Not Applicable – No representative of the Noteholders has been appointed by the Issuer[ or the Guarantor].]</p>
<b>C.10</b>	Derivative component in the interest payments	<p>Not applicable – There is no derivative component in the interest payments.</p> <p>Please refer to Element C.9 together with the information contained in this Element C.10.</p>
<b>C.11</b>	Admission to trading	<p>Notes issued under the Programme may be listed and admitted to trading on the Luxembourg Stock Exchange or such other stock exchange or market specified below, or may be issued on an unlisted basis.<sup>6</sup></p> <p>[Application [has been][is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the [regulated market] of the [Luxembourg/● Stock Exchange.] [Not applicable; The Notes are not intended to be admitted to trading on any market.]</p>

## Section D – Risks

Element	Title	
<b>D.2</b>	Key risks regarding the Issuer [and the Guarantor]	<p>In purchasing Notes, investors assume the risk that the Issuer [and the Guarantor] may become insolvent or otherwise be unable to make all payments due in respect of the Notes. There is a wide range of factors which individually or together could result in the Issuer [and the Guarantor] becoming unable to make all payments due in respect of the Notes. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer [and the Guarantor] may not be aware of all relevant factors and certain factors which they currently deem not to be material may become material as a result of the occurrence of events outside the control of the Issuer [and the Guarantor]. The Issuer [and the Guarantor] have identified a number of factors which could materially adversely affect their businesses and ability to make payments due under the Notes, including</p>

<sup>6</sup> Delete this paragraph when preparing an issue specific summary.

Element	Title	
		<p>as follows:</p> <p>[CSG Finance Guernsey may be directly affected by its dependence on other members of the Group and indirectly by the risks affecting Credit Suisse AG and CSG. ]</p> <p>CSG[ and CS are both] [is] exposed to a variety of risks that could adversely affect their results of operations and financial condition, including, among others, those described below. [All references to CSG set out below are describing the consolidated businesses carried on by CSG and its subsidiaries and therefore should also be read as references to CS.]</p> <p>Liquidity risk:</p> <ul style="list-style-type: none"> <li>• CSG's liquidity could be impaired if it is unable to access the capital markets or sell its assets, and CSG expects its liquidity costs to increase.</li> <li>• CSG's businesses rely significantly on its deposit base for funding.</li> <li>• Changes in CSG's ratings may adversely affect its business.</li> </ul> <p>Market risk:</p> <ul style="list-style-type: none"> <li>• CSG may incur significant losses on its trading and investment activities due to market fluctuations and volatility.</li> <li>• CSG's 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.</li> <li>• CSG may incur significant losses in the real estate sector.</li> <li>• Holding large and concentrated positions may expose CSG to large losses.</li> <li>• CSG's hedging strategies may not prevent losses.</li> <li>• Market risk may increase the other risks that CSG faces.</li> </ul> <p>Credit risk:</p> <ul style="list-style-type: none"> <li>• CSG may suffer significant losses from its credit exposures.</li> <li>• Defaults by a large financial institution could adversely affect financial markets generally and CSG specifically.</li> <li>• The information that CSG uses to manage its credit risk may be inaccurate or incomplete.</li> </ul>

Element	Title	
		<p>Risks from estimates and valuations:</p> <ul style="list-style-type: none"> <li>• Estimates are based upon judgment and available information, and CSG's actual results may differ materially from these estimates.</li> <li>• To the extent CSG's models and processes become less predictive due to unforeseen market conditions, illiquidity or volatility, CSG's ability to make accurate estimates and valuations could be adversely affected.</li> <li>• If CSG is required to consolidate a special purpose entity, its assets and liabilities would be recorded on its consolidated balance sheets and it would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on its results of operations and capital and leverage ratios.</li> </ul> <p>Cross-border and currency exchange risks:</p> <ul style="list-style-type: none"> <li>• Cross-border risks may increase market and credit risks CSG faces.</li> <li>• CSG may face significant losses in emerging markets.</li> <li>• Currency fluctuations may adversely affect CSG's results of operations.</li> </ul> <p>Operational risk:</p> <ul style="list-style-type: none"> <li>• CSG is exposed to a wide variety of operational risks, including information technology risk.</li> <li>• CSG may suffer losses due to employee misconduct.</li> <li>• CSG's risk management procedures and policies may not always be effective.</li> </ul> <p>Legal and regulatory risks:</p> <ul style="list-style-type: none"> <li>• CSG's exposure to legal liability is significant.</li> <li>• Regulatory changes may adversely affect CSG's business and ability to execute its strategic plans.</li> <li>• Changes in monetary policy are beyond CSG's control and difficult to predict.</li> <li>• Legal restrictions on its clients may reduce the demand for CSG's services.</li> </ul> <p>Competition risk:</p> <ul style="list-style-type: none"> <li>• CSG faces intense competition in all financial services markets and for the products and services it offers.</li> <li>• CSG's competitive position could be harmed if its</li> </ul>

Element	Title	
		<p>reputation is damaged.</p> <ul style="list-style-type: none"> <li>• CSG must recruit and retain highly skilled employees.</li> <li>• CSG faces competition from new trading technologies.</li> </ul> <p>Risks relating to CSG's strategy:</p> <ul style="list-style-type: none"> <li>• CSG may not achieve all of the expected benefits of its strategic initiatives.</li> <li>• CSG has announced a plan to evolve its legal entity structure and cannot predict its final form or potential effects.</li> </ul>
D.3	Key risks regarding the Notes	<p>There are also market and other risks associated with the Notes, including a range of market risks, as follows:</p> <ul style="list-style-type: none"> <li>• [if the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned;]</li> <li>• [if the Issuer has the right to effect the conversion of the interest rate on Notes from fixed to floating or floating to fixed, this will affect the secondary market and market value of such Notes;]</li> <li>• [Notes which are issued at a substantial discount or premium may be more volatile;]</li> <li>• the Notes are not covered by any government compensation or insurance scheme and do not have the benefit of any government guarantee;</li> <li>• the conditions of the Notes may be modified without the consent of the holder in certain circumstances;</li> <li>• [the holder may not receive payment of the full amounts due in respect of the Notes as a result of amounts being withheld by the Issuer[ or the Guarantor] in order to comply with applicable law;]</li> <li>• [Rights of the holders of Notes may be adversely affected by the Swiss Financial Market Supervisory Authority FINMA's broad statutory powers in the case of a restructuring proceeding in relation to CS, including its power to convert the Notes into equity and/or partially or fully write-down the Notes;]</li> <li>• [CSG may become subject to the resolution regime under Swiss banking laws and, consequently, to the Swiss Financial Market Supervisory Authority FINMA's broad statutory powers in the case of restructuring proceedings, which could adversely affect holders of the ;]</li> </ul>

Element	Title	
		<ul style="list-style-type: none"> <li>• [if Notes are traded in amounts that are not integral multiples of their minimum denomination the rights of any holder of an amount of Notes that is less than such minimum denomination may be limited in certain circumstances;]</li> <li>• there may be no or only a limited secondary market in the Notes;</li> <li>• the market value of Notes may be influenced by unpredictable factors;</li> <li>• the value of an investor's investment may be adversely affected by exchange rate movements where the Notes are not denominated in the investor's own currency;</li> <li>• [changes in interest rates will affect the value of Notes which bear interest at a fixed rate;]</li> <li>• [any credit rating assigned to the Notes may not adequately reflect all the risks associated with an investment in the Notes.]</li> </ul>

#### Section E – Offer

Element	Title	
<b>E.2b</b>	Reasons for the offer and the use of proceeds when different from making profit and/or hedging risk	<p>The net proceeds from each issue of Notes will be applied by each of the Issuers for their general corporate purposes, which include making a profit. The net proceeds from each issue of Notes of Credit Suisse Group Finance (Guernsey) Limited and CS, acting through a branch outside of Switzerland, will be applied by the relevant Issuer outside Switzerland unless use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.<sup>7</sup></p> <p>The reason for the offer is to generate proceeds from the issue of the Notes that will be applied by the Issuer for its general corporate purposes, which include making a profit. [The net proceeds from the issue of the Notes will be applied by the Issuer outside Switzerland unless use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland.]</p>
<b>E.3</b>	Terms and conditions of the offer	Under the programme, the Notes may be offered to the public in a Non-exempt Offer in the United Kingdom, the

<sup>7</sup> Delete this paragraph when preparing an issue specific summary.

Element	Title	
		<p>Netherlands, Ireland and Luxembourg.</p> <p>The terms and conditions of each offer of Notes will be determined by agreement between the Issuer and the relevant Dealers at the time of issue and specified in the applicable Final Terms. An Investor intending to acquire or acquiring any Notes in a Non-exempt Offer from an Authorised Offeror will do so, and offers and sales of such Notes to an Investor by such Authorised Offeror will be made, in accordance with any terms and other arrangements in place between such Authorised Offeror and such Investor including as to price, allocations and settlement arrangements.<sup>8</sup></p> <p>[The Notes are not being offered to the public as part of a Non-exempt Offer. The only applicable terms and conditions of the offer for these purposes is the Offer Price which is the Issue Price.]</p> <p>[This issue of Notes is being offered in a Non-exempt Offer in [the United Kingdom] [and] [the Netherlands] [and] [Ireland] [and] [Luxembourg]].</p> <p>Offer Price: [Issue Price/specify]</p> <p>Conditions to which the offer is subject: [Not details] Applicable/give</p> <p>Description of the application process: [Not details] Applicable/give</p> <p>Details of the minimum and/or maximum amount of application: [Not details] Applicable/give</p> <p>Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants: [Not details] Applicable/give</p> <p>Details of the method and time limits for paying up and delivering the Notes: [Not details] Applicable/give</p> <p>Manner in and date on which results of the offer are to be made public: [Not details] Applicable/give</p> <p>Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised: [Not details] Applicable/give</p>

<sup>8</sup> Delete the preceding wording in item E.3 when preparing an issue specific summary.

Element	Title	
		<p>Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made: [Not details] Applicable/give</p> <p>Amount of any expenses and taxes specifically charged to the subscriber or purchaser: [Not details] Applicable/give</p> <p>Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place: [Not details] Applicable/give</p>
E.4	Interest of natural and legal persons involved in the issue/offer	<p>The relevant Dealers may be paid fees in relation to any issue of Notes under the Programme. Any such Dealer and its affiliates may also have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.<sup>9</sup></p> <p>The relevant Dealers [will be paid fees in relation to the issue of the Notes. Any such Dealer and its][and their] affiliates may [also] have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business.</p> <p>[Other than as mentioned above,[ and save for ●,] so far as the Issuer [and the Guarantor ][is/are] aware, no person involved in the issue of the Notes has an interest material to the offer, including conflicting interests.]</p>
E.7	Expenses charged to the investor by the Issuers or the offeror	[Not Applicable – No expenses will be charged to investors by the Issuer[ or the Guarantor].]

<sup>9</sup> Delete this paragraph when preparing an issue specific summary.

## RISK FACTORS

*Each of the Issuers and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur and neither the Issuers nor the Guarantor is in a position to express a view on the likelihood of any such contingency occurring.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each of the Issuers and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuers or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers or the Guarantor based on information currently available to them or which they may not currently be able to anticipate. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.*

*In addition, prospective investors should refer to the risk factors on pages 35 to 42 of the Credit Suisse Annual Report 2013 incorporated by reference in this Base Prospectus.*

### **Factors that may affect the ability of CSG Finance Guernsey to fulfil its obligations under Notes issued by it**

#### ***Dependence on other Group Members***

CSG Finance Guernsey is a finance vehicle established by the Guarantor for the purpose of raising finance and on-lending the proceeds within the group of companies of which CSG is the parent (the **Group**). CSG Finance Guernsey is therefore dependent upon other members of the Group paying interest on and repaying their loans in a timely fashion. Should any Group member fail to pay interest on or repay any loan in a timely fashion, that could have a material effect on the ability of CSG Finance Guernsey to fulfil its obligations under the Notes issued by it.

By virtue of its dependence on other Group members, each of the risks described below that affect CSG will also indirectly affect CSG Finance Guernsey.

In particular, if CSG Finance Guernsey should on-lend the proceeds of any Notes issued by it to CS, the rights of the holders of such Notes may be adversely affected by the Swiss Financial Market Supervisory Authority's (FINMA) discretionary resolution powers should it open resolution proceedings in relation to CS. Although FINMA would not be able to directly exercise such powers with respect to CSG Finance Guernsey or the Notes issued by it, it would be able to exercise such powers with respect to the loan made by CSG Finance Guernsey to CS with the proceeds of the Notes. For example, such loan could be subordinated to CS's general creditors in the case of a bail-in in restructuring proceedings with respect to, or the liquidation of, CS, or both, and FINMA could convert and/or write-off such loan before certain other creditors of CS. In any such case, CSG Finance Guernsey may not receive all or a portion of the payments owed to it by CS under such loan and, consequently, may not be able to fulfil its obligations under the Notes issued by it in whole or in part. For a description of the current regime under Swiss banking laws as it applies to CS, see “-Recent regulatory developments and proposals - Switzerland” and “- Regulatory framework – Switzerland - Resolution regime” under “Information on the Company - Regulation and Supervision” of the Credit Suisse Annual Report 2013.

### **Factors that may affect CS's or CSG's ability to fulfil their respective obligations under Notes issued by them or the Guarantee issued by CSG**

CS is a wholly-owned subsidiary of CSG. CSG and CS are both exposed to a variety of risks that could adversely affect their results of operations or financial condition, including, among others, those described below. All references to CSG in the risk factors set out below on pages 29 to 39 inclusive are describing the consolidated businesses carried on by CSG and its subsidiaries and therefore should also be read as references to CS.

#### **Liquidity risk**

Liquidity, or ready access to funds, is essential to CSG's business, particularly CSG's Investment Banking business. CSG maintains available liquidity to meet its obligations in a stressed liquidity environment. For information on CSG's liquidity management, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet*" in the Credit Suisse Financial Report 1Q14.

***CSG's liquidity could be impaired if it is unable to access the capital markets or sell its assets, and CSG expects its liquidity costs to increase***

CSG's ability to borrow on a secured or unsecured basis and the cost of doing so can be affected by increases in interest rates or credit spreads, the availability of credit, regulatory requirements relating to liquidity or the market perceptions of risk relating to CSG or the banking sector, including CSG's perceived or actual creditworthiness. An inability to obtain financing in the unsecured long-term or short-term debt capital markets, or to access the secured lending markets, could have a substantial adverse effect on CSG's liquidity. In challenging credit markets, CSG's funding costs may increase or it may be unable to raise funds to support or expand its businesses, adversely affecting the results of operations. Following the financial crisis in 2008 and 2009 its costs of liquidity have been significant and CSG expects to incur additional costs as a result of regulatory requirements for increased liquidity and the challenging economic environment in Europe, the United States and elsewhere.

If CSG is unable to raise needed funds in the capital markets, it may need to liquidate unencumbered assets to meet its liabilities. In a time of reduced liquidity, CSG may be unable to sell some of its assets, or it may need to sell assets at depressed prices, which in either case could adversely affect its results of operations and financial condition.

***CSG's businesses rely significantly on its deposit base for funding***

CSG's businesses benefit from short-term funding sources, including primarily demand deposits, inter-bank loans, time deposits and cash bonds. Although deposits have been, over time, a stable source of funding, this may not continue. In that case, CSG's liquidity position could be adversely affected and it might be unable to meet deposit withdrawals on demand or at their contractual maturity, to repay borrowings as they mature or to fund new loans, investments and businesses.

***Changes in CSG's ratings may adversely affect its business***

Ratings are assigned by rating agencies. They may lower, indicate their intention to lower or withdraw their ratings at any time. The major rating agencies remain focused on the financial services industry, particularly on uncertainties as to whether firms that pose systemic risk would receive government or central bank support in a financial or credit crisis, and on such firms' potential vulnerability to market sentiment and confidence, particularly during periods of severe economic stress. For example, in July 2013, S&P lowered its long-term counterparty credit ratings of several European banks, including CS and CSG, by one notch. Further downgrades in CSG's or CS' assigned ratings, including in particular their credit ratings, could increase CSG's and/or CS' borrowing costs, limit their access to capital markets, increase their cost of capital and adversely affect the ability of their businesses to sell or market their products, engage in business transactions – particularly longer-term and derivatives transactions – and retain their clients.

## **Market risk**

***CSG may incur significant losses on its trading and investment activities due to market fluctuations and volatility***

Although CSG continued to reduce its balance sheet and accelerated the implementation of its client-focused, capital-efficient strategy in 2013, CSG continues to maintain large trading and investment positions and hedges in the debt, currency and equity markets, and in private equity, hedge funds, real estate and other assets. These positions could be adversely affected by volatility in financial and other markets, that is, the degree to which prices fluctuate over a particular period in a particular market, regardless of market levels. To the extent that CSG owns assets, or has net long positions, in any of those markets, a downturn in those markets could result in losses from a decline in the value of CSG's net long positions. Conversely, to the extent that CSG has sold assets that it does not own, or has net short positions, in any of those markets, an upturn in those markets could expose CSG to potentially significant losses as it attempts to cover its net short positions by acquiring assets in a rising market. Market fluctuations, downturns and volatility can adversely affect the fair

value of CSG's positions and its results of operations. Adverse market or economic conditions or trends have caused, and may in the future cause, a significant decline in CSG's net revenues and profitability.

***CSG's 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***

As a global financial services company, CSG's businesses are materially affected by conditions in the financial markets and economic conditions generally in Europe, the United States and elsewhere around the world. The recovery from the economic crisis of 2008 and 2009 continues to be sluggish in several key developed markets. Additionally, the European sovereign debt crisis, as well as concerns over the United States' debt levels and the federal budget process that led to the downgrade of United States sovereign debt in 2011 and the temporary shutdown of many federal governmental operations in October 2013, have not been permanently resolved. CSG's financial condition and results of operations could be materially adversely affected if these conditions do not improve, or if they stagnate or worsen. Further, various countries in which CSG operates or invests have experienced severe economic disruptions particular to that country or region, including extreme currency fluctuations, high inflation, or low or negative growth, among other negative conditions. In 2013, concerns about weaknesses in the economic and fiscal condition of certain European countries, including Croatia, Cyprus, Greece, Ireland, Italy, Portugal and Spain continued, especially with regard to how such weaknesses might affect other economies as well as financial institutions (including CSG) which lent funds to or did business with or in those countries. Continued concern about the European sovereign debt crisis could cause disruptions in market conditions in Europe and around the world. Economic disruption in other countries, even in countries in which CSG does not currently conduct business or have operations, could adversely affect its businesses and results.

Adverse market and economic conditions continue to create a challenging operating environment for financial services companies. In particular, the impact of interest and currency exchange rates, the risk of geopolitical events, fluctuations in commodity prices, the European sovereign debt crisis and the United States federal debt crisis have affected financial markets and the economy. In recent years, the low interest rate environment has adversely affected CSG's net interest income and the value of its trading and non-trading fixed income portfolios. In addition, movements in equity markets have affected the value of CSG's trading and non-trading equity portfolios, while the strength of the CHF has adversely affected CSG's revenues and net income.

Such adverse market or economic conditions may reduce the number and size of investment banking transactions in which CSG provides underwriting, mergers and acquisitions advice or other services and, therefore, may adversely affect its financial advisory and underwriting fees. Such conditions may adversely affect the types and volumes of securities trades that CSG executes for customers and may adversely affect the net revenues it receives from commissions and spreads. In addition, several of CSG's businesses engage in transactions with, or trade in obligations of, governmental entities, including super-national, national, state, provincial, municipal and local authorities. These activities can expose CSG to enhanced sovereign, credit-related, operational and reputational risks, including the risks that a governmental entity may default on or restructure its obligations or may claim that actions taken by government officials were beyond the legal authority of those officials, which could adversely affect CSG's financial condition and results of operations.

Unfavourable market or economic conditions have affected CSG's businesses over the last few years, including the low interest rate environment, continued cautious investor behaviour and subdued mergers and acquisitions activity. These negative factors have been reflected in lower commissions and fees from CSG's client-flow sales and trading and asset management activities, including commissions and fees that are based on the value of CSG's clients' portfolios. Investment performance that is below that of competitors or asset management benchmarks could result in a decline in assets under management and related fees and make it harder to attract new clients. There has been a fundamental shift in client demand away from more complex products and significant client deleveraging, and CSG's Private Banking & Wealth Management division's results of operations have been and could continue to be adversely affected as long as this continues.

Adverse market or economic conditions have also negatively affected CSG's private equity investments since, if a private equity investment substantially declines in value, CSG may not receive any increased share of the income and gains from such investment (to which CSG is entitled in certain cases when the return on such investment exceeds certain threshold returns), may be obligated to return to investors previously received excess carried interest payments and may lose its *pro rata* share of the capital invested. In addition, it could become more difficult to dispose of the investment, as even investments that are performing well may prove difficult to exit.

In addition to the macroeconomic factors discussed above, other events beyond CSG's control, including terrorist attacks, military conflicts, economic or political sanctions, disease pandemics, political unrest or natural disasters could have a material adverse effect on economic and market conditions, market volatility and financial activity, with a potential related effect on CSG's businesses and results.

***CSG may incur significant losses in the real estate sector***

CSG finances and acquires principal positions in a number of real estate and real estate-related products, primarily for clients and originates loans, secured by commercial and residential properties. As of 31st December 2013, CSG's real estate loans (as reported to the Swiss National Bank) totalled approximately CHF 137 billion. CSG also securitises and trades in commercial and residential real estate and real estate-related whole loans, mortgages, and other real estate and commercial assets and products, including commercial and residential mortgage-backed securities. CSG's real estate-related businesses and risk exposures could continue to be adversely affected by any downturn in real estate markets, other sectors and the economy as a whole. In particular, the risk of potential price corrections in the real estate market in certain areas of Switzerland could have a material adverse effect on CSG's real estate-related businesses.

***Holding large and concentrated positions may expose CSG to large losses***

Concentrations of risk could increase losses, given that CSG has sizeable loans to, and securities holdings in, certain customers, industries or countries. Decreasing economic growth in any sector in which CSG makes significant commitments, for example, through underwriting, lending or advisory services, could also negatively affect CSG's net revenues.

CSG has significant risk concentration in the financial services industry as a result of the large volume of transactions routinely conducted with broker-dealers, banks, funds and other financial institutions, and in the ordinary conduct of CSG's business it may be subject to risk concentration with a particular counterparty. CSG, like other financial institutions, continues to adapt its practices and operations in consultation with its regulators to better address an evolving understanding of its exposure to, and management of, systemic risk and risk concentration to financial institutions. Regulators continue to focus on these risks, and there are numerous new regulations and government proposals, and significant ongoing regulatory uncertainty, about how best to address them. There can be no assurance that the changes in CSG's and industry operations, practices and regulation will be effective in managing this risk. For further information, refer to "I—Information on the Company—Regulation and supervision" in the Credit Suisse Annual Report 2013 and "II – Treasury, Risk, Balance sheet and Off-balance sheet – Capital Management – Regulatory Capital Framework" in the Credit Suisse Financial Report 1Q14.

Risk concentration may cause CSG to suffer losses even when economic and market conditions are generally favourable for others in its industry.

***CSG's hedging strategies may not prevent losses***

If any of the variety of instruments and strategies CSG uses to hedge its exposure to various types of risk in its businesses is not effective, it may incur losses. CSG may be unable to purchase hedges or be only partially hedged, or its hedging strategies may not be fully effective in mitigating CSG's risk exposure in all market environments or against all types of risk.

***Market risk may increase the other risks that CSG faces***

In addition to the potentially adverse effects on CSG's businesses described above, market risk could exacerbate the other risks that CSG faces. For example, if CSG were to incur substantial trading losses, its need for liquidity could rise sharply while its access to liquidity could be impaired. In conjunction with another market downturn, CSG's customers and counterparties could also incur substantial losses of their own, thereby weakening their financial condition and increasing CSG's credit and counterparty risk exposure to them.

**Credit risk**

***CSG may suffer significant losses from its credit exposures***

CSG's businesses are subject to the fundamental risk that borrowers and other counterparties will be unable to perform their obligations. CSG's credit exposures exist across a wide range of transactions that it engages in with a large number of clients and counterparties, including lending relationships, commitments and letters of credit, as well as derivative, currency exchange and other transactions. CSG's exposure to credit risk

can be exacerbated by adverse economic or market trends, as well as increased volatility in relevant markets or instruments. In addition, disruptions in the liquidity or transparency of the financial markets may result in CSG's inability to sell, syndicate or realise the value of its positions, thereby leading to increased concentrations. Any inability to reduce these positions may not only increase the market and credit risks associated with such positions, but also increase the level of risk-weighted assets on CSG's balance sheet, thereby increasing its capital requirements, all of which could adversely affect its businesses. For information on management of credit risk, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet – Capital Management –Risk Management*" in the Credit Suisse Financial Report 1Q14.

CSG's regular review of the creditworthiness of clients and counterparties for credit losses does not depend on the accounting treatment of the asset or commitment. Changes in creditworthiness of loans and loan commitments that are fair valued are reflected in trading revenues.

CSG management's determination of the provision for loan losses is subject to significant judgment. CSG's banking businesses may need to increase their provisions for loan losses or may record losses in excess of the previously determined provisions if its original estimates of loss prove inadequate, which could have a material adverse effect on its results of operations. For information on provisions for loan losses and related risk mitigation refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management*" and "*Note 1—Summary of significant accounting policies, Note 10 – Provision for credit losses and Note 18 – Loans, allowance for loan losses and credit quality*", each in "*V—Consolidated financial statements—Credit Suisse Group*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet – Capital Management –Risk Management*" and "*Note 10 – Provision for credit losses*" and "*Note 16 – Loans, allowance for loan losses and credit quality*" each in "*III – Condensed consolidated financial statements – unaudited*" in the Credit Suisse Financial Report 1Q14.

CSG has experienced in the past, and may in the future experience, competitive pressure to assume longer-term credit risk, extend credit against less liquid collateral and price derivative instruments more aggressively based on the credit risks that it takes. CSG expects its capital and liquidity requirements, and those of the financial services industry, to increase as a result of these risks.

***Defaults by a large financial institution could adversely affect financial markets generally and CSG specifically***

Concerns, or even rumours, about, or a default by, one institution could lead to significant liquidity problems, losses or defaults by other institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships between institutions. This risk is sometimes referred to as systemic risk. Concerns about defaults by and failures of many financial institutions, particularly those with significant exposure to the eurozone, continued in 2013 and could continue to lead to losses or defaults by financial institutions and financial intermediaries, with which CSG interacts on a daily basis, such as clearing agencies, clearing houses, banks, securities firms and exchanges. CSG's credit risk exposure will also increase if the collateral it holds cannot be realised upon or can only be liquidated at prices insufficient to cover the full amount of exposure.

***The information that CSG uses to manage its credit risk may be inaccurate or incomplete***

Although CSG regularly reviews its credit exposure to specific clients and counterparties and to specific industries, countries and regions that it believes may present credit concerns, default risk may arise from events or circumstances that are difficult to foresee or detect, such as fraud. CSG may also fail to receive full information with respect to the credit or trading risks of a counterparty.

**Risks from estimates and valuations**

CSG makes estimates and valuations that affect its reported results, including measuring the fair value of certain assets and liabilities, establishing provisions for contingencies and losses for loans, litigation and regulatory proceedings, accounting for goodwill and intangible asset impairments, evaluating its ability to realise deferred tax assets, valuing equity based compensation awards, modelling our risk exposure and calculating expenses and liabilities associated with its pension plans. These estimates are based upon judgement and available information, and CSG's actual results may differ materially from these estimates. For information on these estimates and valuations, refer to "*II—Operating and financial review—Critical accounting estimates*" and "*Note 1—Summary of significant accounting policies*" in "*V—Consolidated financial statements—Credit Suisse Group*" in the Credit Suisse Annual Report 2013.

CSG's estimates and valuations rely on models and processes to predict economic conditions and market or other events that might affect the ability of counterparties to perform their obligations to CSG or impact the value of assets. To the extent CSG's models and processes become less predictive due to unforeseen market conditions, illiquidity or volatility, its ability to make accurate estimates and valuations could be adversely affected.

### **Risks relating to off-balance sheet entities**

CSG enters into transactions with special purpose entities (**SPEs**) in its normal course of business, and certain SPEs with which CSG transacts business are not consolidated and their assets and liabilities are off-balance sheet. CSG may have to exercise significant management judgement in applying relevant accounting consolidation standards, either initially or after the occurrence of certain events that may require CSG to reassess whether consolidation is required. Accounting standards relating to consolidation, and their interpretation, have changed and may continue to change. If CSG is required to consolidate an SPE, its assets and liabilities would be recorded on its consolidated balance sheets and CSG would recognise related gains and losses in its consolidated statements of operations, and this could have an adverse impact on its results of operations and capital and leverage ratios. For information on CSG's transactions with and commitments to SPEs, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Balance sheet, off-balance sheet and other contractual obligations—Off-balance sheet*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet*" in the Credit Suisse Financial Report 1Q14.

### **Cross-border and currency exchange risk**

#### ***Cross-border risks may increase market and credit risks CSG faces***

Country, regional and political risks are components of market and credit risk. Financial markets and economic conditions generally have been and may in the future be materially affected by such risks. Economic or political pressures in a country or region, including those arising from local market disruptions, currency crises, monetary controls or other factors, may adversely affect the ability of clients or counterparties located in that country or region to obtain foreign currency or credit and, therefore, to perform their obligations to CSG, which in turn may have an adverse impact on CSG's results of operations.

#### ***CSG may face significant losses in emerging markets***

As a global financial services company doing business in emerging markets, CSG is exposed to economic instability in emerging market countries. CSG monitors these risks, seeks diversity in the sectors in which it invests and emphasises client-driven business. CSG's efforts at limiting emerging market risk, however, may not always succeed.

#### ***Currency fluctuations may adversely affect CSG's results of operations***

CSG is exposed to risk from fluctuations in exchange rates for currencies, particularly the U.S. dollar. In particular, a substantial portion of CSG's assets and liabilities are denominated in currencies other than the Swiss franc, which is the primary currency of its financial reporting. CSG's capital is also stated in Swiss francs and it does not fully hedge its capital position against changes in currency exchange rates. The Swiss franc remained strong against the U.S. dollar and euro in 2013. The appreciation of the Swiss franc in particular and exchange rate volatility in general have had an adverse impact on CSG's results of operations and capital position in recent years and may have such an effect in the future.

### **Operational risk**

#### ***CSG is exposed to a wide variety of operational risks, including information technology risk***

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. In general, although it has business continuity plans, CSG's businesses face a wide variety of operational risks, including technology risk that stems from dependencies on information technology, third-party suppliers and the telecommunications infrastructure. As a global financial services company, CSG relies heavily on its financial, accounting and other data processing systems, which are varied and complex. CSG's business depends on its ability to process a large volume of diverse and complex transactions, including derivatives transactions, which have increased in volume and complexity. CSG is exposed to operational risk arising from errors made in the execution, confirmation or settlement of transactions or in transactions not being properly recorded or accounted for. Regulatory requirements in this area have increased and are expected to increase further.

Information security, data confidentiality and integrity are of critical importance to CSG's businesses. Despite CSG's wide array of security measures to protect the confidentiality, integrity and availability of its systems and information, it is not always possible to anticipate the evolving threat landscape and mitigate all risks to its systems and information. CSG could also be affected by risks to the systems and information of clients, vendors, service providers, counterparties and other third parties.

If any of CSG's systems do not operate properly or are compromised as a result of cyber-attacks, security breaches, unauthorised access, loss or destruction of data, unavailability of service, computer viruses or other events that could have an adverse security impact, CSG could be subject to litigation or suffer financial loss not covered by insurance, a disruption of its businesses, liability to its clients, regulatory intervention or reputational damage. Any such event could also require CSG to expend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures.

#### ***CSG may suffer losses due to employee misconduct***

CSG's businesses are exposed to risk from potential non-compliance with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm. In recent years, a number of multinational financial institutions have suffered material losses due to the actions of "rogue traders" or other employees. It is not always possible to deter employee misconduct, and the precautions CSG takes to prevent and detect this activity may not always be effective.

#### ***Risk management***

CSG has risk management procedures and policies designed to manage its risk. These techniques and policies, however, may not always be effective, particularly in highly volatile markets. CSG continues to adapt its risk management techniques, in particular value-at-risk and economic capital, which rely on historical data, to reflect changes in the financial and credit markets. No risk management procedures can anticipate every market development or event, and CSG's risk management procedures and hedging strategies, and the judgements behind them, may not fully mitigate its risk exposure in all markets or against all types of risk. For information on CSG's risk management, refer to "*III—Treasury, Risk, Balance sheet and Off-balance sheet—Risk management*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet –Risk Management*" in the Credit Suisse Financial Report 1Q14.

#### ***Legal and regulatory risks***

##### ***CSG's exposure to legal liability is significant***

CSG faces significant legal risks in its businesses, and the volume and amount of damages claimed in litigation, regulatory proceedings and other adversarial proceedings against financial services firms are increasing.

CSG and its subsidiaries are subject to a number of material legal proceedings, regulatory actions and investigations, and an adverse result in one or more of these proceedings could have a material adverse effect on CSG's operating results for any particular period, depending, in part, upon its results for such period. For information relating to these and other legal and regulatory proceedings involving CSG's Investment Banking and other businesses, refer to "*Note 38 – Litigation*" in "*V – Consolidated Financial Statements – Litigation*" in the Credit Suisse Annual Report 2013 and "*Note 29 – Litigation*" in "*III – Condensed consolidated financial statements – unaudited*" in the Credit Suisse Financial Report 1Q14.

It is inherently difficult to predict the outcome of many of the legal, regulatory and other adversarial proceedings involving CSG's businesses, particularly those cases in which the matters are brought on behalf of various classes of claimants, seek damages of unspecified or indeterminate amounts or involve novel legal claims. CSG's management is required to establish, increase or release reserves for losses that are probable and reasonably estimable in connection with these matters. For more information, refer to "*II—Operating and financial review—Critical accounting estimates*" and "*Note 1—Summary of significant accounting policies*" in "*V—Consolidated financial statements—Credit Suisse Group*" in the Credit Suisse Annual Report 2013.

##### ***Regulatory changes may adversely affect CSG's business and ability to execute its strategic plans***

As a participant in the financial services industry, CSG is subject to extensive regulation by governmental agencies, supervisory authorities, and self-regulatory organisations in Switzerland, the European Union, the United Kingdom and the United States and other jurisdictions in which CSG operates around the world. Such regulation is increasingly more extensive and complex and, in recent years, costs related to its

compliance with these requirements and the penalties and fines sought and imposed on the financial services industry by regulatory authorities have all increased significantly and may increase further. These regulations often serve to limit CSG's activities, including through the application of increased capital, leverage and liquidity requirements, customer protection and market conduct regulations and direct or indirect restrictions on the businesses in which CSG may operate or invest. Such limitations can have a negative effect on CSG's business and its ability to implement strategic initiatives. To the extent CSG is required to divest certain businesses, it could incur losses, as it may be forced to sell such businesses at a discount, which in certain instances could be substantial, as a result of both the constrained timing of such sales and the possibility that other financial institutions are liquidating similar investments at the same time.

Since 2008, regulators and governments have focused on the reform of the financial services industry, including enhanced capital, leverage and liquidity requirements, changes in compensation practices (including tax levies) and measures to address systemic risk, including potentially ring-fencing certain activities and operations within specific legal entities. CSG is already subject to extensive regulation in many areas of its business and expects to face increased regulation and regulatory scrutiny and enforcement. CSG expects such increased regulation to continue to increase its costs, including but not limited to, costs related to compliance, systems and operations, as well as affecting its ability to conduct certain businesses, which could adversely affect its profitability and competitive position. Variations in the details and implementation of such regulations may further negatively affect CSG, as certain requirements currently are not expected to apply equally to all of its competitors or to be implemented uniformly across jurisdictions.

For example, the additional requirements related to minimum regulatory capital, leverage ratios and liquidity measures imposed by Basel III, together with more stringent requirements imposed by the Swiss "Too Big To Fail" legislation and its implementing ordinances and related actions by our regulators, have contributed to CSG's decision to reduce risk weighted assets and the size of its balance sheet, and could potentially impact its access to capital markets and increase its funding costs. In addition, the ongoing implementation in the United States of the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the **Dodd-Frank Act**), including the "Volcker Rule", derivatives regulation and other regulatory developments described in "*I – Information on the company – Regulation and supervision*" in the Credit Suisse Annual Report 2013 and in "*II – Treasury, Risk, Balance sheet and Off-balance sheet – Capital Management – Regulatory Capital Framework*" in the Credit Suisse Financial Report 1Q14, have imposed, and will continue to impose, new regulatory burdens on certain of CSG's operations. These requirements have contributed to its decision to exit certain businesses (including a number of its private equity businesses) and may lead it to exit other businesses. New Commodity Futures Trading Commission and the U.S. Securities and Exchange Commission (**SEC**) rules could materially increase the operating costs, including compliance, information technology and related costs, associated with its derivatives businesses with United States persons while at the same time making it more difficult for CSG to transact derivatives business outside the US. Further, in February 2014, the United States Federal Reserve enacted a final rule under the Dodd-Frank Act that created a new framework for regulation of the United States operations of foreign banking organisations such as CSG. Although the final impact of the new rule cannot be fully predicted at this time, it is expected to result in CSG incurring additional costs and to affect the way it conducts its business in the United States, including by requiring it to create a single US intermediate holding company.

Similarly, recently enacted and possible future cross-border tax regulation with extraterritorial effect, such as the U.S. Foreign Account Tax Compliance Act, and bilateral tax treaties, such as Switzerland's treaties with the United Kingdom and Austria, impose detailed reporting obligations and increased compliance and systems-related costs on CSG's businesses. Finally, implementation of the European Market Infrastructure Regulation (**EMIR**), the Capital Requirement Directive IV and Capital Requirements Regulation (**CRD IV**) and the proposed revisions to the Markets in Financial Instruments Directive (Directive 2004/39/EC) (**MiFID II**) may negatively affect CSG's business activities. If Switzerland does not pass legislation that is deemed equivalent to EMIR and MiFID II in a timely manner, Swiss banks, including CSG, may be limited from participating in businesses regulated by such laws.

CSG expects the financial services industry, including CSG, to continue to be affected by the significant uncertainty over the scope and content of regulatory reform in 2014 and beyond. Changes in laws, rules or regulations, or in their interpretation or enforcement, or the implementation of new laws, rules or regulations, may adversely affect CSG's results of operations.

Despite CSG's best efforts to comply with applicable regulations, a number of risks remain, particularly in areas where applicable regulations may be unclear or inconsistent among jurisdictions or where regulators revise their previous guidance or courts overturn previous rulings. Authorities in many jurisdictions

have the power to bring administrative or judicial proceedings against CSG, which could result in, among other things, suspension or revocation of its licences, cease and desist orders, fines, civil penalties, criminal penalties or other disciplinary action which could materially adversely affect CSG's results of operations and seriously harm its reputation.

For a description of CSG's regulatory regime and a summary of some of the significant regulatory and government reform proposals affecting the financial services industry, refer to "*I—Information on the company—Regulation and supervision*" and "*III – Treasury, Risk, Balance Sheet and Off-balance sheet – Liquidity and funding management*" in the Credit Suisse Annual Report 2013 and "*II – Treasury, Risk, Balance sheet and Off-balance sheet – Liquidity and funding management*" in the Credit Suisse Financial Report 1Q14 for information regarding CSG's current regulatory framework and expected changes to this framework affecting capital and liquidity standards.

### ***Changes in monetary policy are beyond CSG's control and difficult to predict***

CSG is affected by the monetary policies adopted by the central banks and regulatory authorities of Switzerland, the United States and other countries. The actions of the Swiss National Bank and other central banking authorities directly impact CSG's cost of funds for lending, capital raising and investment activities and may impact the value of financial instruments CSG holds and the competitive and operating environment for the financial services industry. Many central banks have implemented significant changes to their monetary policy. CSG cannot predict whether these changes will have a material adverse effect on it or its operations. In addition, changes in monetary policy may affect the credit quality of its customers. Any changes in monetary policy are beyond CSG's control and difficult to predict.

### ***Legal restrictions on its clients may reduce the demand for CSG's services***

CSG may be materially affected not only by regulations applicable to it as a financial services company, but also by regulations and changes in enforcement practices applicable to our clients. CSG's business could be affected by, among other things, existing and proposed tax legislation, antitrust and competition policies, corporate governance initiatives and other governmental regulations and policies and changes in the interpretation or enforcement of existing laws and rules that affect business and the financial markets. For example, focus on tax compliance and changes in enforcement practices could lead to asset outflows (primarily from customers in mature Western European markets) from CSG's Wealth Management Clients business in Switzerland.

## **Competition**

### ***CSG faces intense competition***

CSG faces intense competition in all financial services markets and for the products and services it offers. Consolidation, through mergers and acquisitions, alliances and cooperation, including as a result of financial distress, is increasing competitive pressures. Competition is based on many factors, including the products and services offered, pricing, distribution systems, customer service, brand recognition, perceived financial strength and the willingness to use capital to serve client needs. Consolidation has created a number of firms that, like CSG, have the ability to offer a wide range of products, from loans and deposit-taking to brokerage, investment banking and asset management services. Some of these firms may be able to offer a broader range of products than CSG does, or offer such products at more competitive prices. Current market conditions have resulted in significant changes in the competitive landscape in CSG's industry as many institutions have merged, altered the scope of their business, declared bankruptcy, received government assistance or changed their regulatory status, which will affect how they conduct their business. In addition, current market conditions have had a fundamental impact on client demand for products and services. Although CSG expects the increasing consolidation and changes in its industry to offer opportunities, it can give no assurance that its results of operations will not be adversely affected.

### ***CSG's competitive position could be harmed if its reputation is damaged***

In the highly competitive environment arising from globalisation and convergence in the financial services industry, a reputation for financial strength and integrity is critical to CSG's performance, including its ability to attract and maintain clients and employees. CSG's reputation could be harmed if its comprehensive procedures and controls fail, or appear to fail, to address conflicts of interest, prevent employee misconduct, produce materially accurate and complete financial and other information or prevent adverse legal or regulatory

actions. For further information, refer to “III—Treasury, Risk, Balance Sheet and Off-balance sheet—Risk management—Reputational Risk” in the Credit Suisse Annual Report 2013.

***CSG must recruit and retain highly skilled employees***

CSG’s performance is largely dependent on the talents and efforts of highly skilled individuals. Competition for qualified employees is intense. CSG has devoted considerable resources to recruiting, training and compensating employees. CSG’s continued ability to compete effectively in its businesses depends on its ability to attract new employees and to retain and motivate its existing employees. The continued public focus on compensation practices in the financial services industry, and related regulatory changes, may have an adverse impact on CSG’s ability to attract and retain highly skilled employees. In particular, new limits on the amount and form of executive compensation imposed by recent regulatory initiatives, including the Ordinance Against Excessive Compensation in Switzerland and the implementation of CRD IV in the UK, could potentially have an adverse impact on our ability to retain certain of our most highly skilled employees and hire new qualified employees in certain businesses.

***CSG faces competition from new trading technologies***

CSG’s businesses face competitive challenges from new trading technologies, which may adversely affect its commission and trading revenues, exclude its businesses from certain transaction flows, reduce its participation in the trading markets and the associated access to market information and lead to the creation of new and stronger competitors. CSG has made, and may continue to be required to make, significant additional expenditures to develop and support new trading systems or otherwise invest in technology to maintain its competitive position.

***Risks relating to CSG’s strategy***

***CSG may not achieve all of the expected benefits of its strategic initiatives***

In light of increasing regulatory and capital requirements and continued challenging market and economic conditions, to optimise its use of capital and improve its cost structure CSG has continued to adapt its client-focused, capital-efficient strategy and has implemented new cost-savings measures while decreasing the size of its balance sheet and reducing its risk-weighted assets in the fourth quarter of 2013, CSG created non-strategic units within our Investment Banking and Private Banking & Wealth Management divisions and separated non-strategic items in the Corporate Center to further accelerate its reduction of capital and costs associated with non-strategic activities and positions and to shift resources to focus on its strategic businesses and growth initiatives. Factors beyond its control, including but not limited to the market and economic conditions, changes in laws, rules or regulations and other challenges discussed in detail above, could limit CSG’s ability to achieve all of the expected benefits of these initiatives.

In addition, acquisitions and other similar transactions it undertakes as part of its strategy subjects CSG to certain risks. Even though CSG reviews the records of companies it plans to acquire, it is generally not feasible for it to review all such records in detail. Even an in-depth review of records may not reveal existing or potential problems or permit CSG to become familiar enough with a business to assess fully its capabilities and deficiencies. As a result, CSG may assume unanticipated liabilities (including legal and compliance issues), or an acquired business may not perform as well as expected. CSG also faces the risk that it will not be able to integrate acquisitions into its existing operations effectively as a result of, among other things, differing procedures, business practices and technology systems, as well as difficulties in adapting an acquired company into its organisational structure. CSG faces the risk that the returns on acquisitions will not support the expenditures or indebtedness incurred to acquire such businesses or the capital expenditures needed to develop such businesses.

CSG may also seek to engage in new joint ventures and strategic alliances. Although it endeavours to identify appropriate partners, CSG’s joint venture efforts may prove unsuccessful or may not justify its investment and other commitments.

***CSG has announced a programme to evolve its legal entity structure and cannot predict its final form or potential effects***

In November 2013, CSG announced key components of its programme to evolve its legal entity structure. The programme is designed to meet developing and future regulatory requirements. Subject to further analysis and approval by FINMA, implementation of the programme is underway, with a number of key components expected to be implemented from mid-2015. This programme remains subject to a number of

uncertainties that may affect its feasibility, scope and timing. In addition, significant legal and regulatory changes affecting CSG and its operations may require it to make further changes in its legal structure. The implementation of these changes will require significant time and resources and may potentially increase operational, capital, funding and tax costs as well as CSG's counterparties' credit risk. For further information, refer to "II – Operating and financial review – Credit Suisse – Information and developments – Evolution of legal entity structure" in the Credit Suisse Annual Report 2013.

## **Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**

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

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

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

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

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

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

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

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

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

### ***Risks related to Notes generally***

*The Notes are not covered by any government compensation or insurance scheme and do not have the benefit of any government guarantee*

An investment in the Notes will not be covered by any compensation or insurance scheme of any government agency of Switzerland or any other jurisdiction and the Notes do not have the benefit of any government guarantee. The Notes are the obligations of the relevant Obligors only and Noteholders must solely look to the relevant Obligors for the performance of the relevant Obligors' obligations under the Notes. In the event of the insolvency of an Obligor, a Noteholder may lose all or some of its investment in the Notes.

#### ***Modification***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including

Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

#### *Withholding under the EU Savings Tax Directive*

Under EC Council Directive 2003/48/EC (for the purposes of the following two paragraphs, the **EU Savings Tax Directive**) on the taxation of savings income, Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland with the option of the individual to have the paying agent and the relevant Swiss authorities provide to the tax authorities of the Member State the details of the interest payments or payments of other similar income in lieu of the withholding). In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1st January 2015, in favour of automatic information exchange under the EU Savings Tax Directive.

On 24th March 2014, the European Council adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Tax Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Tax Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1st January 2016 (which national legislation must apply from 1st January 2017).

In connection with the above amendments to the EU Savings Tax Directive, Switzerland and the European Commission have commenced negotiations on certain amendments to the agreement between the European Community and the Confederation of Switzerland dated as of 26th October 2004 providing for measures equivalent to those laid down in the EU Savings Tax Directive, as amended by the EU Council Directive of 24th March 2014.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of tax were to be withheld from that payment, neither the relevant Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. If a withholding tax is imposed on payment made by a Paying Agent, the relevant Issuer will be required to maintain a Paying Agent in a Member State that will not be obliged to withhold or deduct tax pursuant to the EU Savings Tax Directive.

*Rights of the holders of Notes issued by CS may be adversely affected by FINMA's broad statutory powers in the case of a restructuring proceeding in relation to CS, including its power to convert such Notes into equity and/or partially or fully write-down such Notes*

Swiss banking laws provide FINMA with broad powers and discretion in the case of resolution procedures with respect to Swiss banks such as CS. In such resolution procedures, FINMA may require the conversion of Notes issued by CS into equity and/or a partial or full write-off of Notes issued by CS. In such case, holders of Notes issued by CS would lose all or some of their investment in such Notes. Where FINMA orders the conversion of Notes issued by CS into equity, the securities received may be worth significantly less than the Notes and may have a significantly different risk profile.

For a description of the current regime under Swiss banking laws as it applies to CS, see “Recent regulatory developments and proposals – Switzerland” and “- Regulatory framework – Switzerland – Resolution regime” under “Information on the Company – Regulation and Supervision” of the Credit Suisse Annual Report 2013.

*CSG may become subject to the resolution regime under Swiss banking laws and, consequently, to FINMA's broad statutory powers in the case of restructuring proceedings, which could adversely affect holders of Notes issued or guaranteed by CSG*

As the date hereof, the resolution regime under Swiss banking laws applies only to duly licensed banks in Switzerland such as CS, and not to a parent company of a financial group such as CSG. However, a

consultation process was recently launched regarding a proposed amendment to Swiss banking laws that would extend the scope of the Swiss bank resolution regime thereunder to, among others, Swiss parent companies of financial groups. It is not possible to predict whether or when any such amendment will be enacted, what final form it would take and what effect it could have on holders of Notes issued or guaranteed by CSG.

However, if the Swiss banking laws were amended so that the same resolution regime that currently applies to CS were to apply to CSG, FINMA would be able to exercise its resolution powers thereunder with respect to obligations of CSG. In the case of Notes issued by CSG, FINMA would be able to exercise its resolution powers to, among other things, fully or partially write-off such Notes and/or convert such Notes into equity. In such case, holders of such Notes would lose all or some of their investment in such Notes. If FINMA were to order the conversion of any Notes issued by CSG into equity, securities received by the holders of such Notes may be worth significantly less than such Notes and may have a significantly different risk profile. In the case of Notes guaranteed by CSG, FINMA would be able to exercise its resolution powers with respect to any amounts that are due and payable under the Guarantee at any time during the course of the resolution proceedings, which powers would include the ability to, among other things, fully or partially write-off such amounts due under the Guarantee or convert such amounts due under the Guarantee into equity.

For a description of the current regime under Swiss banking laws as it applies to CS, see “—Recent regulatory developments and proposals—Switzerland” and “—Regulatory framework—Switzerland—Resolution regime” under “Information on the Company—Regulation and Supervision” of the Credit Suisse Annual Report 2013.

#### *Proposed Amendment of Swiss Federal Withholding Tax Act*

On 24th August 2011, the Swiss Federal Council issued draft legislation, which, if enacted, may require any paying agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment of interest in respect of a Note (including, as the case may be, a payment by CSG as Guarantor in respect of Notes issued by CSG Finance Guernsey under the Guarantee) to an individual resident in Switzerland (this includes payment to an entity which is treated as fiscally transparent in which an interest is held by such an individual) or to a person (not only individuals) resident outside Switzerland. If this legislation or similar legislation were enacted and an amount of, or in respect of, Swiss withholding tax were to be deducted or withheld from a payment, neither the relevant Issuer, nor the Guarantor in respect of Notes issued by CSG Finance Guernsey nor a paying agent nor any other person would pursuant to the Terms and Conditions of the Notes be obliged to pay additional amounts with respect to any Notes as a result of the deduction or imposition of such withholding tax. In respect of Notes that are not Swiss Notes, the Issuer is required to maintain a paying agent in a jurisdiction within Europe other than Switzerland that will not be required to withhold or deduct tax pursuant to laws enacted in Switzerland providing for the taxation of payments according to principles similar to those laid down (i) in the EU Savings Tax Directive or (ii) in the draft legislation proposed by the Swiss Federal Council on 24th August 2011, in particular the principle to have a person other than the Issuer withhold or deduct the tax.

#### *Final Foreign Withholding Taxes*

Treaties on final withholding taxes of Switzerland with the United Kingdom and Austria came into force (each a **Contracting State**) require a Swiss paying agent, as defined in the treaties, to levy a flat-rate final withholding tax (*Abgeltungssteuer*) at rates specified in the treaties on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties, deriving from assets, including the Notes and the Guarantee, as applicable, held in accounts or deposits with a Swiss paying agent by (i) an individual resident in a Contracting State or, (ii) if certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so-called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual resident in a Contracting State. The flat-rate tax withheld substitutes the ordinary income tax on the respective capital gains and income items, in the Contracting State where the individual is tax resident. In order to avoid the withholding of the flat-rate tax by the Swiss paying agent, such individuals may opt for a disclosure of the respective capital gains and income items to the tax authorities of the Contracting State where they are tax residents. If an amount of, or in respect of, such final withholding tax were to be deducted or withheld from a payment, neither the relevant Issuer, nor the Guarantor nor a paying agent nor any other person would pursuant to the conditions of the Notes be obliged to pay additional amounts with respect to any Notes as a result of the deduction or imposition of such final withholding tax.

#### *U.S. Foreign Account Tax Compliance Withholding*

Whilst the Notes are in global form and held within Euroclear Bank SA/NV or Clearstream Banking, société anonyme (together the **ICSDs**), in all but the most remote circumstances, it is not expected that the new reporting regime and potential withholding tax imposed by Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986 (**FATCA**) will affect the amount of any payment received by the ICSDs (see “*Taxation—U.S. Foreign Account Tax Compliance Act*”). However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA) and provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them. The relevant Issuer’s obligations under the Notes are discharged once it has paid the common depository or common safekeeper for the ICSDs (as bearer or registered holder of the Notes, as the case may be) and the relevant Issuer has therefore no responsibility for any amount thereafter transmitted through the ICSDs and custodians or intermediaries.

#### *Change of law*

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

The Guarantee is based on English law in effect as at the date thereof. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of the Guarantee.

#### *Notes where denominations involve integral multiples: definitive Notes*

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

#### ***Risks related to the market generally***

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

##### *The secondary market generally*

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

##### *The market value of the Notes may be influenced by unpredictable factors*

Many factors, most of which are beyond the relevant Issuer's control, will influence the value of the Notes and the price, if any, at which securities dealers may be willing to purchase or sell the Notes in the secondary market, including:

- (i) the creditworthiness of the relevant Obligor;
- (ii) supply and demand for the Notes, including inventory positions with any securities dealer; and
- (iii) economic, financial, political or regulatory events or judicial decisions that affect the relevant Issuer or the financial markets generally.

Accordingly, if a Noteholder sells its Notes in the secondary markets, it may not be able to obtain a price equal to the principal amount of the Notes or to the price that it paid for the Notes.

#### *Exchange rate risks and exchange controls*

The relevant Obligors will pay principal and interest on the Notes or make payments under the Guarantee, as the case may be, in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### *Interest rate risks*

Investment in Fixed Rate Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Fixed Rate Notes, this will adversely affect the value of the Fixed Rate Notes.

#### *Credit ratings may not reflect all risks*

One or more independent credit rating agencies may assign credit ratings to the Issuers, the Guarantor or the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under the CRA Regulation, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances whilst the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

#### *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

#### ***Cautionary statement regarding forward-looking statements***

This Base Prospectus contains or incorporates by reference statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. In addition, in the future the Issuers and the Guarantor, and others on their behalf, may make statements that constitute forward-looking statements. Such forward-looking statements may include, without limitation, statements relating to the Group's plans, objectives or goals; the Group's future economic performance or prospects; the potential effect on the Group's future performance of certain contingencies; and assumptions underlying any such statements.

Words such as "believes", "anticipates", "expects", "intends" and "plans" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. The Obligors do not intend to update these forward-looking statements except as may be required by applicable securities laws.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved. A number of important factors could cause results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include: (i) the ability to maintain sufficient liquidity and access capital markets; (ii) market and interest rate fluctuations and interest rate levels; (iii) the strength of the global economy in general and the strength of the economies of the countries in which the Group conducts operations, in particular the risk of continued slow economic recovery or downturn in the U.S. or other developed countries in 2014 and beyond; (iv) the direct and indirect impacts of deterioration or slow recovery in residential and commercial real estate markets; (v) adverse rating actions by credit rating agencies in respect of sovereign issuers, structured credit products or other credit-related exposures; (vi) the Group's ability to achieve its strategic objectives, including improved performance, reduced risks, lower costs and more efficient use of capital; (vii) the ability of counterparties to meet their obligations to the Group; (viii) the effects of, and changes in, fiscal, monetary, trade and tax policies, and currency fluctuations; (ix) political and social developments, including war, civil unrest or terrorist activity; (x) the possibility of foreign exchange controls, expropriation, nationalisation or confiscation of assets in countries in which the Group conducts operations; (xi) operational factors such as systems failure, human error, or the failure to implement procedures properly; (xii) actions taken by regulators with respect to the Group's business and practices in one or more of the countries in which the Group conducts operations; (xiii) the effects of changes in laws, regulations or accounting policies or practices; (xiv) competition in geographic and business areas in which the Group conducts operations; (xv) the ability to retain and recruit qualified personnel; (xvi) the ability to maintain the Group's reputation and promote the Group's brands; (xvii) the ability to increase market share and control expenses; (xviii) technological changes; (xix) the timely development and acceptance of the Group's new products and services and the perceived overall value of these products and services by users; (xx) acquisitions, including the ability to integrate acquired businesses successfully, and divestitures, including the ability to sell non-core assets; (xxi) the adverse resolution of litigation and other contingencies; (xxii) the ability to achieve the Group's cost efficiency goals and other cost targets; and (xxiii) the Group's success at managing the risks involved in the foregoing.

The foregoing list of important factors is not exclusive; when evaluating forward-looking statements, investors should carefully consider the foregoing factors and other uncertainties and events, as well as the other risks identified in this Base Prospectus.

## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the Summary and the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The relevant Issuer, and in the case of Guaranteed Notes, the Guarantor, and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event, in the case of listed Notes only and if appropriate, a supplement to the Base Prospectus will be published.*

This Overview constitutes a general description of the Programme for the purposes of Article 22.5(3) of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive (the **Prospectus Directive**).

Words and expressions defined in “*Form of the Notes*” and “*Terms and Conditions of the Notes*” shall have the same meanings in this Overview.

<b>Issuers:</b> .....	Credit Suisse AG, acting through its Zurich head office or such branch as is designated in the applicable Final Terms.  Credit Suisse Group Finance (Guernsey) Limited.  Credit Suisse Group AG.
<b>Guarantor:</b> .....	In the case of Guaranteed Notes, Credit Suisse Group AG.
<b>Description:</b> .....	Euro Medium Term Note Programme.
<b>Arranger:</b> .....	Credit Suisse Securities (Europe) Limited.
<b>Dealers:</b> .....	Credit Suisse Securities (Europe) Limited and any other Dealers appointed in accordance with the Programme Agreement.
<b>Certain Restrictions:</b> .....	Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time including the following restrictions applicable at the date of this Base Prospectus.  <b>Notes issued by CSG Finance Guernsey and CSG and having a maturity of less than one year.</b>  Notes issued by CSG Finance Guernsey and CSG and having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in section 19 of the Financial Services and Markets Act 2000 unless they are issued to a limited class of professional investors and have a denomination of at least £100,000 or its equivalent.
<b>Agent for Notes other than Notes listed on the SIX Swiss Exchange:</b> .....	BNP Paribas Securities Services, Luxembourg Branch.
<b>Swiss Agent for Notes listed on the SIX Swiss Exchange:</b> .....	Credit Suisse AG, Zurich.
<b>Registrar:</b> .....	BNP Paribas Securities Services, Luxembourg Branch.
<b>Programme Size:</b> .....	The Programme is unlimited in amount.

<b>Method of Issue:</b> .....	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in Series having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in Tranches on the same or different issue dates. The specific terms of each Tranche will be completed in the applicable Final Terms.
<b>Currencies:</b> .....	Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.
<b>Maturities:</b> .....	The Notes will have such maturities (if any) as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency.
<b>Issue Price:</b> .....	Notes may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par.
<b>Form of Notes:</b> .....	The Notes will be issued in bearer form, registered form or uncertificated form. Each Issuer may issue Bearer Notes in either NGN or CGN form or, in the case of Bearer Notes (i) which will be listed on the SIX Swiss Exchange only or (ii) denominated in Swiss Francs ( <b>Swiss Franc Notes</b> ), in the form of a permanent Global Note ( <b>Swiss Global Note</b> ) which will be deposited with SIX SIS AG, Olten, Switzerland ( <b>SIS</b> ) or any other clearing system approved by the SIX Swiss Exchange. Registered Notes will not be exchangeable for Bearer Notes and <i>vice versa</i> . Registered Notes may also be held under the NSS. Notes may be issued in uncertificated form ( <b>Uncertificated Notes</b> ). Uncertificated Notes (i) which will be listed on the SIX Swiss Exchange only or (ii) which are denominated in Swiss Francs ( <b>Swiss Franc Uncertificated Notes</b> ) constitute Swiss uncertificated notes ( <b>Swiss Uncertificated Notes</b> ) and will be entered into the main register ( <i>Hauptregister</i> ) of the Intermediary. Bearer Notes represented by a Swiss Global Note and Swiss Uncertificated Notes may constitute Intermediated Securities.
<b>Fixed Rate Notes:</b> .....	Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.
<b>Floating Rate Notes:</b> .....	<p>Floating Rate Notes will bear interest at a rate determined:</p> <ul style="list-style-type: none"> <li>(a) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or</li> <li>(b) on the basis of a reference rate set out in the applicable Final Terms</li> </ul> <p>The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes.</p>
<b>Other provisions in relation to Floating Rate Notes:</b> .....	Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.

**Zero Coupon Notes:** ..... Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Redemption:** ..... The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to any stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to any such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer.

Notes issued by CSG Finance Guernsey and CSG and having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see “*Certain Restrictions—Notes issued by CSG Finance Guernsey and CSG and having a maturity of less than one year*” above.

**Denomination of Notes:** ..... The Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency, see “*Certain Restrictions—Notes issued by CSG Finance Guernsey and CSG and having a maturity of less than one year*” above, and save that the minimum denomination of each Note will be €1,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency).

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been filed with the CSSF shall be incorporated by reference in, and form part of, this Base Prospectus:

- (1) All of the information in the Credit Suisse Annual Report 2013 on Form 20-F (the **Credit Suisse Annual Report 2013**) (which contains audited consolidated financial statements for CSG and CS, and audited financial statements for CSG and CS as of 31st December 2013 and 2012, and for each of the years in the three-year period ended 31st December 2013, and the auditors' reports in respect thereof) identified in the following cross-reference list is incorporated by reference in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Annual Report 2013 is not incorporated by reference and is either not relevant for the investor or covered in another part of the Base Prospectus):

		<i>The page numbers below refer to the Credit Suisse Annual Report 2013</i>
Financial highlights .....		Not paginated
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Credit Suisse at a glance .....		page 10
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Our businesses .....		pages 14-21
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Core Results (including Results Overview) .....		pages 54-60
Private Banking & Wealth Management.....		pages 61-73
Investment Banking.....		pages 74-79
Corporate Center .....		pages 80-82
Assets under management .....		pages 83-85
Critical accounting estimates.....		pages 86-92
III. Treasury, Risk, Balance sheet and Off-balance sheet.....		page 93 (this is a section heading)
Liquidity and funding management.....		pages 94-100
Capital management .....		pages 101-114
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IV. Corporate Governance and Compensation .....		page 145 (this is a section heading)
Corporate Governance.....		pages 146-175
Compensation.....		pages 176-204
V. Consolidated financial statements—Credit Suisse Group .....		page 205 (this is a section heading)
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Consolidated statements of comprehensive income .....		page 209
Consolidated balance sheets .....		pages 210-211
Consolidated statements of changes in equity .....		pages 212-213
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VI.	Parent company financial statements—Credit Suisse Group .....	page 355 (this is a section heading)
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VII.	Consolidated financial statements—Credit Suisse (Bank) .....	page 373 (this is a section heading)
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	Consolidated statements of operations .....	page 377
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	List of abbreviations .....	pages A-4 – A-5
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	Investor information .....	pages A-10 – A-11
	Financial calendar and contacts .....	page A-12
	Cautionary statement regarding forward looking information	Not paginated

- (2) The Forms 6-K of CS, including (A) the Form 6-K of CS dated 16th April 2014, including the Credit Suisse Earnings Release 1Q14 exhibited thereto (the **Form 6-K dated 16th April 2014**); and (B) the Form 6-K of CS dated 2nd May 2014, including the Credit Suisse Financial Report 1Q14 (the **Credit Suisse Financial Report 1Q14**) exhibited thereto (which contains the unaudited condensed consolidated financial statements of CSG as of 31st March 2014 and 31st March 2013 and for the three-month periods then ended) (the **Form 6-K dated 2nd May 2014**).

All of the information in the Form 6-K dated 16th April 2014 identified in the following cross-reference list is incorporated by reference in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Form 6-K dated 16th April 2014 is not incorporated by reference and is either not relevant for the investor or covered in another part of the Base Prospectus):

	<i>The page numbers below refer to the Form 6-K dated 16th April 2014</i>
Cover Page.....	page 1
Selected financial data .....	page 3
Operating and financial review and prospects .....	page 4
Exhibits.....	page 5
Signatures .....	page 6
Earnings Release	<i>The page numbers below refer to the Credit Suisse Earnings Release 1Q14 exhibited to the Form 6-K dated 16th April 2014</i>
Earnings Release .....	page 1
Core Results summary .....	pages 3-4
Private Banking & Wealth Management.....	pages 4-9
Investment Banking.....	pages 10-12
Corporate Center .....	pages 12-13
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All of the information in the Credit Suisse Financial Report 1Q14 exhibited to the Form 6-K dated 2nd May 2014 identified in the following cross-reference list is incorporated by reference in, and forms part

of, this Base Prospectus (any information not listed on the cross-reference list but included in the Credit Suisse Financial Report 1Q14 is not incorporated by reference and is either not relevant for the investor or covered in another part of the Base Prospectus):

	<i>The page numbers below refer to the Credit Suisse Financial Report 1Q14 exhibited to the Form 6-K dated 2nd May 2014</i>
Key metrics .....	Not paginated
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Credit Suisse at a glance.....	Not paginated
I. Credit Suisse results .....	(this is a section heading)
Operating environment .....	pages 6 - 8
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II. Treasury, risk, balance sheet and off-balance sheet .....	(this is a section heading)
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Balance sheet and off-balance sheet.....	pages 69 - 70
III. Condensed consolidated financial statements (unaudited) .....	(this is a section heading)
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(3) The Form 6-K of CSG and CS dated 9th May 2014 (the **Form 6-K dated 9th May 2014**).

All of the information in the Form 6-K dated 9th May 2014 identified in the following cross-reference list is incorporated by reference in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Form 6-K dated 9th May 2014 is not incorporated by reference and is either not relevant for the investor or covered in another part of the Base Prospectus):

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Distribution in cash against reserves from capital contributions .....	page 1
Increase in conditional capital for employee shares .....	page 1
Election of Severin Schwan and Sebastian Thrun as new Members of the Board of Directors .....	page 1 - 2
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refer to the 6-K dated 9th  
May 2014*

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2013 Compensation Report .....	page 2
Composition of the Board of Directors as of May 9, 2014.....	page 3
Cautionary statement regarding forward-looking information .....	page 4

- (4) The articles of association of each of CSG and CS (in each case in (a) the original German language version and (b) an English translation thereof) are incorporated by reference herein by reference and are available on the website at [www.credit-suisse.com](http://www.credit-suisse.com) (these are given for information purposes only and are not required by the relevant schedules of European Commission Regulation 809/2004, as amended (the **Prospectus Regulation**)).
- (5) The articles of incorporation of CSG Finance Guernsey are incorporated by reference herein by reference and are available for inspection from its registered office at Helvetia Court, South Esplanade, St. Peter Port, Guernsey GY1 3WF (these are given for information purposes only and are not required by the relevant schedules of the Prospectus Regulation).
- (6) All of the information in the Annual Report 2013 of CSG Finance Guernsey, which contains audited financial statements for CSG Finance Guernsey for the year ended 31st December 2013, and the audit report in respect thereof, identified in the following cross-reference list is incorporated by reference in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Annual Report 2013 of CSG Finance Guernsey is considered to be additional information that is not required by the relevant schedules of the Prospectus Regulation):

*The page numbers below  
refer to the Annual Report  
2013 of CSG Finance  
Guernsey*

Independent Auditor's Report .....	pages 5 – 6
Statement of Profit and Loss and Other Comprehensive Income .....	page 7
Statement of Other Comprehensive Income .....	page 7
Statement of Financial Position .....	page 8
Statement of Changes in Equity .....	page 9
Statement of Cash Flows .....	page 10
Notes to the Financial Statements.....	pages 11 – 36

- (7) All of the information in the Annual Report 2012 of CSG Finance Guernsey, which contains audited financial statements for CSG Finance Guernsey for the year ended 31st December 2012, and the audit report in respect thereof, identified in the following cross-reference list is incorporated by reference in, and forms part of, this Base Prospectus (any information not listed on the cross-reference list but included in the Annual Report 2012 of CSG Finance Guernsey is considered to be additional information that is not required by the relevant schedules of the Prospectus Regulation):

*The page numbers below  
refer to the Annual Report  
2012 of CSG Finance  
Guernsey*

Independent Auditors' Report .....	pages 6-7
Income Statement .....	page 8
Statement of Comprehensive Income .....	page 8
Statement of Financial Position .....	page 9
Statement of Changes in Equity .....	page 10
Statement of Cash Flows .....	page 11
Notes to the Financial Statements.....	pages 12-34

- (8) The terms and conditions of the notes contained in the previous Base Prospectus relating to the Programme dated 8th May 2012, pages 77 to 103 (inclusive).

- (9) The terms and conditions of the notes contained in the previous Base Prospectus relating to the Programme dated 16th May 2013, pages 81 to 105 (inclusive).

Following the publication of this Base Prospectus a supplement may be prepared by the Issuers and the Guarantor and approved by the CSSF in accordance with Article 16 of the Prospectus Directive. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus can be obtained, free of charge, from Credit Suisse AG, Paradeplatz 8, CH-8001 Zurich, the registered office of the Issuers and from the specified offices of the Paying Agents for the time being and are also available on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and on the website of CS and CSG ([www.credit-suisse.com](http://www.credit-suisse.com)). A copy of the documents filed by the Guarantor and Credit Suisse AG with the SEC may also be obtained either on the SEC's website at [www.sec.gov](http://www.sec.gov) at the SEC's public reference room or on the website of CS and CSG at [http://www.credit-suisse.com/investors/en/sec\\_filings.jsp](http://www.credit-suisse.com/investors/en/sec_filings.jsp). Information contained on the website of CS and CSG is not incorporated by reference in this Base Prospectus.

The Issuers and the Guarantor will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

## FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons attached, registered form, without interest coupons attached, or uncertificated form. Notes will be issued outside the United States in reliance on Regulation S under the Securities Act (**Regulation S**).

### **Bearer Notes**

Each Tranche of Bearer Notes will initially be issued in the form of a temporary bearer global note (a **Temporary Bearer Global Note**) or, if so specified in the applicable Final Terms, a permanent bearer global note (a **Permanent Bearer Global Note**) or, if so specified in the applicable Final Terms, a permanent global note (the **Swiss Global Note** and, together with the Temporary Bearer Global Note and the Permanent Bearer Global Note, the **Bearer Global Notes**) which will:

- (i) (except in the case of a Swiss Global Note), if the Bearer Global Notes are intended to be issued in new global note (**NGN**) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper for Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream, Luxembourg**);
- (ii) (except in the case of a Swiss Global Note), if the Bearer Global Notes are not intended to be issued in NGN form (such Bearer Global Notes being **CGNs**), be delivered on or prior to the original issue date of the Tranche to a common depositary for Euroclear and Clearstream, Luxembourg; or
- (iii) in the case of Swiss Global Notes, be deposited with SIS or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange (SIS or any such other intermediary, the **Intermediary**) on or prior to the original issue date of the Tranche. Once the Swiss Global Note has been deposited with the Intermediary and the relevant interests in the Swiss Notes entered into the accounts of one or more participants of the Intermediary, the Bearer Notes represented thereby will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) (**Intermediated Securities**).

Where the Bearer Global Notes issued in respect of any Tranche are in NGN form, the applicable Final Terms will also indicate whether such Global Notes are intended to be held in a manner which would allow Eurosystem eligibility. Any indication that the Global Notes are to be so held does not necessarily mean that the Notes of the relevant Tranche will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any times during their life as such recognition depends upon satisfaction of the Eurosystem eligibility criteria. The common safekeeper for NGNs will either be Euroclear or Clearstream, Luxembourg or another entity approved by Euroclear and Clearstream, Luxembourg, as indicated in the applicable Final Terms.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Bearer Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Bearer Global Note is issued in CGN form) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Agent.

On and after the date (the **Exchange Date**) which is 40 days after a Temporary Bearer Global Note is issued, interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (a) interests in a Permanent Bearer Global Note of the same Series or (b) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership as described above unless such certification has already been given. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the

Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Bearer Global Note is issued in CGN form) without any requirement for certification.

Payments of principal, interest (if any) or any other amounts on a Swiss Global Note will be made through the Intermediary without any requirement for certification.

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon either (a) not less than 60 days' written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Agent as described therein or (b) only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default (as defined in Condition 11) has occurred and is continuing or (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Agent.

In the case of Bearer Notes represented by a Swiss Global Note, each holder of the Bearer Notes shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Swiss Global Note to the extent of his claim against the Issuer, provided that for so long as the Swiss Global Note remains deposited with the Intermediary, the co-ownership interest shall be suspended.

No holder of the Bearer Notes represented by a Swiss Global Note will at any time have the right to effect or demand the conversion of the Swiss Global Note representing such Bearer Notes into, or the delivery of, definitive Bearer Notes or Notes in uncertificated form.

No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Bearer Notes shall have been printed. Bearer Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Bearer Notes is necessary or useful or if the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of Noteholders. Should the Swiss Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders of the Bearer Notes. If printed, the definitive Bearer Notes shall be executed by affixing thereon the facsimile signatures of two authorised officers of the Issuer. In the case definitive Bearer Notes are delivered, the Swiss Global Note will immediately be cancelled by the Swiss Agent and the definitive Bearer Notes shall be delivered to the relevant holders against cancellation of the relevant Bearer Notes in such holders' securities accounts.

However, if specified in the applicable Final Terms, the following shall be applicable to Bearer Notes represented by a Swiss Global Note: No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Notes (*Wertpapiere*) is necessary or useful. If printed, individually certificated Notes will not be issued in bearer form but exclusively in registered form for U.S. tax purposes, whereby, inter alia, title will pass exclusively by registration of the Holder in a register of the Holders (the **Register**) to be established and maintained by a registrar (the **Swiss Registrar**) appointed by, and acting on behalf of, the Issuer after consultation with the Swiss Agent and duly notified to the Holders in accordance with Condition 15 of the Terms and Conditions. In the case of delivery of the individually certificated Notes, the Swiss Global Note will immediately be cancelled by the Issuer and the individually certificated Notes shall be delivered to the Holders, who for this purpose need to be registered in the Register, against cancellation of the Intermediated Securities in their respective securities accounts. Printed individually certificated Notes shall not be included in the records of the Intermediary or any other clearing system or any other intermediary (*Verwahrungsstelle*) and, therefore shall not constitute Intermediated Securities. The registration of a new Holder by the Swiss Registrar will only occur upon presentation of the relevant individually certificated Note at the specified office of the Swiss Registrar or

the Swiss Agent. No transfer of a Note will be valid unless and until entered into the Register. A Note may be registered only in the name of and transferred to a specified person.

If the Final Terms so provide, the conversion of the Swiss Global Note into definitive Notes or Notes in uncertificated form is excluded. Neither the relevant Issuer, the Holders, the Swiss Agent nor any other party shall, at any time, have the right to effect or demand the conversion of the Swiss Global Note into, or the delivery of, definitive Notes or Notes in uncertificated form.

The following legend will appear on all Bearer Notes which have an original maturity of more than 1 year and on all interest coupons relating to such Bearer Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Bearer Notes or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of such Notes or interest coupons.

Notes which are represented by a Bearer Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg or SIS, as the case may be. In the case of Bearer Notes represented by a Swiss Global Note, for so long as the Swiss Global Note remains deposited with the Intermediary, such Bearer Notes may only be transferred by the entry of the transferred Bearer Notes in a securities account of the transferee.

### **Registered Notes**

Each Tranche of Registered Notes will initially be represented by a global note in registered form (a **Registered Global Note**). Registered Global Notes will be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg and registered in the name of a common nominee of Euroclear and Clearstream, Luxembourg or in the name of a nominee of the common safekeeper, respectively. Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 7.4) as the registered holder of the Registered Global Notes. None of the Issuers, the Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7.4) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, **Exchange Event** means that (i) an Event of Default has occurred and is continuing or (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 15 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 10 days after the date of receipt of the first relevant notice by the Registrar.

## Uncertificated Notes

Notes may be issued in uncertificated form (**Uncertificated Notes**). Uncertificated Notes (i) which will be listed on the SIX Swiss Exchange only or (ii) which are denominated in Swiss Francs (**Swiss Franc Uncertificated Notes**) constitute Swiss uncertificated notes (**Swiss Uncertificated Notes**). Each Tranche of Swiss Uncertificated Notes will be entered into the main register (*Hauptregister*) of the Intermediary on or prior to their issue date. Once the Swiss Uncertificated Notes are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Uncertificated Notes will constitute Intermediated Securities.

So long as the Swiss Uncertificated Notes constitute Intermediated Securities, they may only be transferred by the entry of the transferred Swiss Uncertificated Notes in a securities account of the transferee.

No holders of the Swiss Uncertificated Notes will at any time have the right to effect or demand the conversion of the Swiss Uncertificated Notes into, or the delivery of, a Global Bearer Note or definitive Bearer Notes.

No physical delivery of the Swiss Uncertificated Notes shall be made. However, if specified in the applicable Final Terms, the following shall be applicable to Swiss Uncertificated Notes: No physical delivery of the Swiss Uncertificated Notes shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Intermediary goes out of business without a successor.

## General

Pursuant to the Agency Agreement (as defined under “*Terms and Conditions of the Notes*”), the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

In addition, the Swiss Agent shall arrange that, where a further Tranche of Notes represented on issue by a Swiss Global Note or of Swiss Uncertificated Notes is issued which is intended to form a single Series with an existing Tranche of Notes so represented or of Swiss Uncertificated Notes, the Notes of such further Tranche shall be assigned a Swiss Securities Number and ISIN which are different from the Swiss Securities Number and ISIN assigned to Notes of any other Tranche of the same Series until such time as the further Tranche does form a single Series with the existing Tranche.

For so long as any of the Notes is represented by a Global Note held on behalf of or, as the case may be, registered in the name of a common nominee of Euroclear and/or Clearstream, Luxembourg (or, as the case may be, a nominee of the common safekeeper) each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant Issuer and its agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the relevant Issuer and its agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

In the case of Bearer Notes represented by a Swiss Global Note or Swiss Uncertificated Notes, the records of the Intermediary will determine the nominal amount of Notes represented by that Swiss Global Note and held by or through each participant in the Intermediary. The holders of such Notes will be the persons holding such Notes in a securities account (*Effektenkonto*) which is in their name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding such Notes for their own account in a securities account (*Effektenkonto*) which is in their name, and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly, including in the context of Swiss Global Notes deposited with the Intermediary.

Any reference herein to Euroclear and/or Clearstream, Luxembourg and/or SIS shall, whenever the context so permits except in relation to Notes issued in NGN form or held under the new safekeeping structure for registered global securities (**NSS**), be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

A Note may be accelerated by the holder thereof in certain circumstances described in Condition 11. In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg and/or SIS, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg and/or SIS on and subject to the terms of a deed of covenant (the **Deed of Covenant**) made by each Issuer and dated 16th May 2013.

The Issuers and the Guarantor may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes, in which event a new Base Prospectus or a supplement to the Offering Circular, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

## FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of less than EUR100,000 (or its equivalent in another currency).*

[Date]

**[Credit Suisse Group Finance (Guernsey) Limited/Credit Suisse AG, acting through its  
[Zurich head office][ ● branch]/Credit Suisse Group AG]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by Credit Suisse Group AG]  
under the  
Euro Medium Term Note Programme**

### Part A—CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15th May 2014 [, as supplemented by the Supplements thereto dated [date]] (the **Base Prospectus**), which constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. An issue specific summary in relation to the Notes is annexed to these Final Terms. The Base Prospectus is available for viewing at the registered office of the Issuer and on the Luxembourg Stock Exchange's website (www.bourse.lu) and copies may be obtained from the specified office of the Agent.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [8th May 2012/16th May 2013] (the **Original Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 15th May 2014[, as supplemented by the Supplements thereto dated [date]] (the **Base Prospectus**) which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Original Base Prospectus and are attached hereto. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Original Base Prospectus and the Base Prospectus. An issue specific summary in relation to the Notes is annexed to these Final Terms. Copies of the Original Base Prospectus and the Base Prospectus are available for viewing at the registered office of the Issuer and on the Luxembourg Stock Exchange's website (www.bourse.lu) and copies may be obtained from the specified office of the Agent.

[The Base Prospectus, together with the Final Terms, constitutes the listing prospectus with respect to the Notes described herein for the purposes of the listing rules of the SIX Swiss Exchange.]

*[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

*[If the Notes are issued by CSG Finance Guernsey or CSG and have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]*

1. (a) Series Number: [ ]
- (b) Tranche Number: [ ]
- (c) Date on which the Notes will be consolidated and form a single Series with [The Notes will be consolidated and form a single Series with [provide issue amount/maturity]

- Series: *date/issue date of earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on about [date]] [Not Applicable]
2. Specified Currency or Currencies: [   ]
3. Aggregate Nominal Amount:
- (a) Series: [   ]
- (b) Tranche: [   ]
4. Issue Price: [   ] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]
5. (a) Specified Denominations: [   ]  
*(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made)*
- (N.B. The minimum denomination for an issue of Notes (i) admitted to trading on a European Economic Area exchange and (ii) offered in the European Economic Area in circumstances where a prospectus is required under the Prospectus Directive is EUR 1,000 (or equivalent in another currency. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive, the EUR 1,000 minimum denomination (or equivalent in another currency) is not required.)*
- (b) Calculation Amount: [   ]  
*(Applicable to Notes in definitive form.)*
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: [   ]
- (b) Interest Commencement Date: [specify/Issue Date/Not Applicable]
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: [Fixed rate—specify date/Floating rate—Interest Payment Date falling in or nearest to [specify date]]
- [None]
8. Interest Basis: [[   ] per cent. Fixed Rate]  
 [[[   ] [   ] month

LIBOR/EURIBOR/SIBOR/BBSW/CAD-BA-  
CDOR] +/-[ ] per cent.  
Floating Rate]  
[Zero Coupon]  
(further particulars specified below)

9. Redemption Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100/ ] per cent. of their nominal amount
- (N.B. The Notes will only be redeemed at an amount other than 100 per cent. of their nominal amount in the case of certain Zero Coupon Notes)*
10. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [date] paragraph [13/14] applies and for the period from (and including) [date], up to (and including) the Maturity Date, paragraph [13/14] applies] [Not Applicable] ]
11. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
12. (a) Guarantee: [Applicable/Not Applicable]
- (b) [Date [Board] approval for issuance of Notes obtained: [ ] [and [ ]], respectively]
- (N.B. Required in case of Notes listed on SIX Swiss Exchange; otherwise only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

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

13. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent. per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date/[specify other]
- (N.B. This will need to be amended in the case of irregular coupons)*
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form.)*
- (d) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]  
*(Applicable to Notes in definitive form.)*
- (e) Day Count Fraction: [30/360] [Actual/Actual] (ICMA)]

- (f) Determination Date(s): ☐ in each year [Not Applicable]
- (Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon)*
- N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration*
- N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))*
14. Floating Rate Note Provisions ☐ [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Specified Period(s)/Specified Interest Payment Dates: ☐ [subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to any adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) First Interest Payment Date: ☐ [ ]
- (c) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (d) Additional Business Centre(s): ☐ [ ]
- (e) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (f) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): ☐ [ ]
- (g) Screen Rate Determination:
- Reference Rate: ☐ [ ] ☐ [ ] month  
[LIBOR/EURIBOR/SIBOR/BBSW/CAD-BA-CDOR]
  - Relevant Time: ☐ [ ]
  - Relevant Financial Centre: [LONDON/BRUSSELS/SINGAPORE/SYDNEY/TORONTO]
  - Interest Determination Date(s): ☐ [ ]
- (Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, BBSW or CAD-BA-CDOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR and the second Singapore business day prior to the start of each*

*Interest Period if SIBOR)*

- Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
  - (h) ISDA Determination:
    - Floating Rate Option: [ ]
    - Designated Maturity: [ ]
    - Reset Date: [ ]

*(in the case of a LIBOR or EURIBOR based option, the first day of the Interest Period)*
  - (i) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation *(specify for each short or long interest period)*]
  - (j) Margin(s): [+/-] [ ] per cent. per annum
  - (k) Minimum Rate of Interest: [ ] per cent. per annum
  - (l) Maximum Rate of Interest: [ ] per cent. per annum
  - (m) Day Count Fraction: [[Actual/Actual (ISDA)][Actual/Actual] Actual/365 (Fixed) Actual/365 (Sterling) Actual/360 [30/360][360/360][Bond Basis] [30E/360][Eurobond basis] 30E/360 (ISDA) Other]  
*(See Condition 6 for alternatives)*
15. Zero Coupon Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Accrual Yield: [ ] per cent. per annum
  - (b) Reference Price: [ ]
  - (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360] [Actual/360] [Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

- 16. Notice Periods for Conditions 8.2
  - Minimum Period: [ ] days
  - Maximum Period: [ ] days
- 17. Issuer Call: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
  - (a) Optional Redemption Date(s): [ ]

- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [ ] per Calculation Amount
- (c) If redeemable in part:
- (i) Minimum Redemption Amount: [ ] per Calculation Amount
- (ii) Maximum Redemption Amount: [ ] per Calculation Amount
- (d) Notice periods: Minimum Period: [ ] days  
Maximum Period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
18. Investor Put: [Applicable/Not Applicable]  
*(If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Optional Redemption Date(s): [ ]
- (b) Optional Redemption Amount and method, if any, of calculation of such amount(s): [ ] per Calculation Amount
- (c) Notice periods: Minimum Period: [ ] days  
Maximum Period: [ ] days  
*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*
19. Final Redemption Amount: [ ] per Calculation Amount  
*(N.B. Except in the case of Zero Coupon Notes where a Redemption/Payment Basis other than 100 per cent. of the nominal amount has been specified, the Final Redemption Amount shall be equal to 100 per cent. of the Calculation Amount per Calculation Amount)*
20. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [ ] per Calculation Amount  
*(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par. If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration*

*should be given as to what the Early Redemption Amount should be)*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:
- [Bearer Notes:  
[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]
- [Permanent Bearer Global Note exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]
- [Swiss Global Note:  
Swiss Global Note deposited with [SIX SIS AG, Olten, Switzerland] [ ]
- [No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Notes (*Wertpapiere*) is necessary or useful.
- If printed, individually certificated Notes will not be issued in bearer form but exclusively in registered form for U.S. tax purposes, whereby, *inter alia*, title will pass exclusively by registration of the Holder in the Register to be established and maintained by the Swiss Registrar appointed by, and acting on behalf of, the Issuer after consultation with the Swiss Agent and duly notified to the Holders in accordance with Condition 15 of the Terms and Conditions.
- In the case of delivery of the individually certificated Notes, the Swiss Global Note will immediately be cancelled by the Issuer and the individually certificated Notes shall be delivered to the Holders, who for this purpose need to be registered in the Register, against cancellation of the Intermediated Securities in their respective securities accounts. Printed individually certificated Notes shall not be included in the records of the Intermediary or any other clearing system or any other intermediary (*Verwahrungsstelle*) and, therefore shall not constitute Intermediated Securities.
- The registration of a new Holder by the Swiss Registrar will only occur upon presentation of the relevant individually certificated Note at the specified office of the Swiss Registrar or the Swiss

Agent. No transfer of a Note will be valid unless and until entered into the Register. A Note may be registered only in the name of and transferred to a specified person.]

[No physical delivery of the Notes represented by a Swiss Global Note shall be made unless and until definitive Bearer Notes shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Bearer Notes is necessary or useful or if the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of Noteholders. Should the Swiss Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders of the Notes. If printed, the definitive Bearer Notes shall be executed by affixing thereon the facsimile signatures of two authorised officers of the Issuer. In the case definitive Bearer Notes are delivered, the Swiss Global Note will immediately be cancelled by the Swiss Agent and the definitive Bearer Notes shall be delivered to the relevant holders against cancellation of the relevant Notes in such holders' securities accounts.]]

[The conversion of the Swiss Global Note into definitive Notes or Notes in uncertificated form is excluded. Neither the Issuer, the Holders, the Swiss Agent, nor any other party shall, at any time, have the right to effect or demand the conversion of the Swiss Global Note into, or the delivery of, definitive Notes or Notes in uncertificated form.]

[Registered Notes:  
Registered Global Note registered in the name of a nominee for a [common depositary/common safekeeper] for Euroclear and Clearstream, Luxembourg]

*[Notes shall not be physically delivered in Belgium, except to a clearing system, a depositary or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14th December 2005]*

[Swiss Uncertificated Notes:  
Swiss Uncertificated Notes entered into the main register (*Hauptregister*) of [SIX SIS AG, Olten, Switzerland] [ ]

[No physical delivery of the Swiss Uncertificated Notes shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Intermediary goes out of business without a successor.]

[No physical delivery of the Notes shall be made]]

22. New Global Note (NGN): [Yes] [No]  
*(In the case of a Registered Global Note, Swiss Global Note or Swiss Uncertificated Note this must be No)*
23. Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the date of payment and not Interest Period end dates to which sub-paragraph 14(d) relates)*
24. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No.]

**[REPRESENTATIVE]** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

In accordance with article 43 of the Listing Rules of the SIX Swiss Exchange, the Issuer [and the Guarantor] has [have] appointed Credit Suisse AG, located at Paradeplatz 8, CH-8001 Zurich, as recognised representative to lodge the listing application with the SIX Exchange Regulation of the SIX Swiss Exchange.

**SIGNIFICANT OR MATERIAL ADVERSE CHANGE STATEMENT** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

[Save as disclosed in [refer to any relevant disclosure],] There has been no significant change in the financial or trading position of the Issuer [or the Guarantor] and there has been no material adverse change in the financial position or the prospects of the Issuer [or the Guarantor] since [insert date of latest annual or interim financial statements].

**RESPONSIBILITY** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms.]

**[THIRD PARTY INFORMATION]**

[Relevant third party information] has been extracted from [ ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [ ], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:

By: \_\_\_\_\_  
*Duly authorised*

By: \_\_\_\_\_  
*Duly authorised]*

## PART B—OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/ ] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/ ] with effect from [ ].] [The first day of trading on the SIX Swiss Exchange will be [date]. Application for definitive listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. [The last day of trading on the SIX Swiss Exchange will be [date].]] [*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*] [[Not Applicable.]
- (ii) Minimum trading size [ ] [Not Applicable]

*(N.B. Required in case of Notes listed on SIX Swiss Exchange, if only multiple denominations can be traded)*

### 2. RATINGS

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings [[have been]/[are expected to be]] endorsed by [insert the legal name of the relevant EU-registered credit rating agency entity] in accordance with the CRA Regulation. [Insert the legal name of the relevant EU-registered credit rating agency entity] is established in the European Union and registered under the CRA Regulation.[ As such [insert the legal name of the

*relevant EU credit rating agency entity*] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]]

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

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services, for the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business][ ]

*[(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)]*

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

(i) [Reasons for the offer [ ]]

*(See [“Use of Proceeds”] wording in Base Prospectus — if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here.)]*

(ii) Estimated net proceeds: [ ]

*(If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)]*

(iii) Estimated total expenses: [ ]

*[Expenses are required to be broken down into each principal intended “use” and presented in order of priority of such “uses”.]*

### 5. **YIELD** (Fixed Rate Notes Only)

Indication of yield: [ ]

### 6. **HISTORIC INTEREST RATES** (*Floating Rate Notes Only*)

Details of historic [LIBOR/EURIBOR/SIBOR/BBSW/CAD-BA-CDOR/other] rates can be obtained from [Reuters].]

### 7. **OPERATIONAL INFORMATION**

(i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No] [Not Applicable] [Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Notes in registered form which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-

day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case Bearer Notes must be issued in NGN form. Notes issued by CSG Finance Guernsey cannot constitute eligible collateral. If the Notes are in registered form but not to be held under the NSS, select “Not Applicable”.]*

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

- (ii) Delivery: Delivery [against/free of] payment
- (iii) Names and addresses of initial Paying Agent(s) (if any): [ ]
- (iv) Names and addresses of additional Paying Agent(s) (if any): [ ]
- (v) ISIN Code: [ ]
- (vi) Common Code: [ ]
- (vii) Swiss Security Number: [ ]
- (viii) Relevant Clearing System(s): [Euroclear/Clearstream Luxembourg/SIX SIS AG/ other — give name(s), address(es) and number(s)]
- (ix) Notices to be published in a London Newspaper: [Yes] [No]
- (x) Schedule 4 of the Agency Agreement: [Applicable/Not Applicable]  
*(Schedule 4 of the Agency Agreement contains provisions for meetings of Noteholders and will be applicable except in the case of issues by CSG generally or CS, acting through its Zurich head office, if placed in Switzerland. If applicable, delete the following sub-paragraph).*
- (xi) Disclosure in relation to Swiss statutory rules on bondholder meetings: [Specify]

## 8. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names and addresses [Not Applicable/give names, addresses and

of Managers and underwriting commitments/quotas (material features):	<i>underwriting commitments</i> <i>(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)</i>
(iii) Date of Subscription Agreement:	[     ]
(iv) Stabilisation Manager(s) (if any):	[Not Applicable/give name]
(v) If non-syndicated, name of relevant Dealer:	[Not Applicable/give name]
(vi) Total commission and concession:	[     ] per cent. of the Aggregate Nominal Amount
(vii) U.S. Selling Restrictions:	[Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]]
(viii) Non-exempt Offer [where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus]:	[Applicable] [Not Applicable] <i>(If not applicable, delete the remaining placeholders of this paragraph (viii) and also paragraph 9 below).</i>
Non-exempt Offer Jurisdictions:	<i>[Specify relevant Member State(s) where the issuer intends to make Non-exempt Offers (where the Base Prospectus lists the Non-exempt Offer Jurisdictions, select from that list), which must therefore be jurisdictions where the Base Prospectus and any supplements have been passported (in addition to the jurisdiction where approved and published)]</i>
Offer Period:	<i>[Specify date] until [specify date or a formula such as "the Issue Date" or "the date which falls [     ] Business Days thereafter"] (the <b>Offer Period</b>)</i>
Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the Conditions in it:	<i>[Insert names and addresses of financial intermediaries receiving consent (specific consent)]</i>
General Consent:	[Not Applicable][Applicable]
Other Authorised Offeror Terms:	[Not Applicable][Add here any other conditions to which the consent given is subject].  <i>(Authorised Offeror Terms should only be included here where General Consent is applicable.)</i>  <i>(N.B. Consider any local regulatory requirements necessary to be fulfilled so as to be able to make a Non-exempt offer where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus in relevant jurisdictions. No such offer should be made in any relevant jurisdiction until those requirements have been met. Non-exempt offers may only be made into jurisdictions in which the base prospectus (and any supplement) has been notified/passported.)</i>

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

*(Delete whole section if sub-paragraph (8)(viii) above is specified to be Not Applicable because there is no Non-exempt Offer)*

Offer Price:	[Issue Price/Not applicable/specify]
Conditions to which the offer is subject:	[Not Applicable/give details]
Description of the application process:	[Not Applicable/give details]
Details of the minimum and/or maximum amount of application:	[Not Applicable/give details]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/give details]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/give details]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/give details]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/give details]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/give details]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable/give details]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place:	[Authorised Offerors identified in paragraph 8 above and identifiable from the Base Prospectus/None/give details]
[Names and address of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment:]	[None/give details]

**ANNEX**  
**SUMMARY OF THE NOTES**

Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme with a denomination of at least EUR100,000 (or its equivalent in another currency).

[Date]

[Credit Suisse Group Finance (Guernsey) Limited/Credit Suisse AG, acting through its  
[Zurich head office] [ ● branch]/Credit Suisse Group AG]

Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]  
[Guaranteed by Credit Suisse Group AG]  
under the  
Euro Medium Term Note Programme

## PART A —CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 15th May 2014 [, as supplemented by the Supplements thereto dated [date]] (the **Base Prospectus**) which constitutes a base prospectus for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing at the registered office of the Issuer and on the Luxembourg Stock Exchange's website (www.bourse.lu) and copies may be obtained from the specified office of the Agent.

*[The following alternative language applies if the first tranche of an issue which is being increased was issued under a Base Prospectus with an earlier date.]*

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated [8th May 2012/16th May 2013] (the **Original Base Prospectus**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 15th May 2014 [, as supplemented by the Supplements thereto dated [date]] (the **Base Prospectus**) which constitutes a base prospectus for the purposes of the Prospectus Directive, save in respect of the Conditions which are extracted from the Original Base Prospectus and are attached hereto. Full information on the Issuer [, the Guarantor] and the offer of the Notes is only available on the basis of the combination of these Final Terms, the Original Base Prospectus and the Base Prospectus. [Copies of the Original Base Prospectus and the Base Prospectus are available for viewing at the registered office of the Issuer and on the Luxembourg Stock Exchange's website (www.bourse.lu) and copies may be obtained from the specified office of the Agent.]

[The Base Prospectus, together with the Final Terms, constitutes the listing prospectus with respect to the Notes described herein for the purposes of the listing rules of the SIX Swiss Exchange.]

*[Include whichever of the following apply or specify as "Not Applicable". Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote directions for completing the Final Terms.]*

*[If the Notes are issued by CSG Finance Guernsey or CSG and have a maturity of less than one year from the date of their issue, the minimum denomination may need to be £100,000 or its equivalent in any other currency.]*

1.
  - (a) Series Number: [ ]
  - (b) Tranche Number: [ ]
  - (c) Date on which Notes will be consolidated and form a single Series: [The Notes will be consolidated and form a single Series with [ *provide issue amount/maturity date/issue date of earlier Tranches*] on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 21 below, which is expected to occur on about [date]] [Not Applicable]
2. Specified Currency or Currencies: [ ]

3. Aggregate Nominal Amount:
- (a) Series: [ ]
- (b) Tranche: [ ]
4. Issue Price: [ ] per cent, of the Aggregate Nominal Amount [plus accrued interest from *[insert date]* (if applicable)]
5. (a) Specified Denominations: [ ]  
(in the case of Registered Notes, this means the minimum integral amount in which transfers can be made) [ ]
- N.B. Notes must have a minimum denomination of EUR 100,000 (or equivalent)*
- (Note — where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed:*
- “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”*
- (N.B. If an issue of Notes is (i) NOT admitted to trading on an European Economic Area exchange; and (ii) only offered in the European Economic Area in circumstances where a prospectus is not required to be published under the Prospectus Directive the €100,000 minimum denomination is not required.)*
- (b) Calculation Amount: (Applicable to Notes in definitive form.) [ ]
- (If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)*
6. (a) Issue Date: [ ]
- (b) Interest Commencement Date: *[specify /Issue Date/Not Applicable]*
- (N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)*
7. Maturity Date: *[Fixed rate — specify date/Floating rate — Interest Payment Date falling in or nearest to [specify date]]*
- [None]
8. Interest Basis: [[ ] per cent. Fixed Rate]
- [[[ ] [ ] month  
LIBOR/EURIBOR/SIBOR/BBSW/CAD-BA-CDOR]  
+/- [ ] per cent.  
Floating Rate]  
[Zero Coupon]  
(further particulars specified below)

9. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100/ ] per cent. of their nominal amount
- (N.B. The Notes will only be redeemed at an amount other than 100 per cent. of their nominal amount in the case of certain Zero Coupon Notes)*
10. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [date] paragraph [13/14] applies and for the period from (and including) [date], up to (and including) the Maturity Date, paragraph [13/14] applies] [Not Applicable]
11. Put/Call Options: [Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
12. (a) Guarantee: [Applicable/Not Applicable]
- (b) [Date [Board] approval for issuance of Notes obtained: [ ] [and [ ], respectively]
- (N.B. Required in case of Notes listed on the SIX Swiss Exchange; otherwise only relevant where Board (or similar) authorisation is required for the particular tranche of Notes)*

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

13. Fixed Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*
- (a) Rate(s) of Interest: [ ] per cent, per annum payable in arrear on each Interest Payment Date
- (b) Interest Payment Date(s): [ ] in each year up to and including the Maturity Date
- (N.B. This will need to be amended in the case of irregular coupons)*
- (c) Fixed Coupon Amount(s): [ ] per Calculation Amount  
*(Applicable to Notes in definitive form.)*
- (d) Broken Amount(s): [ ] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [ ] [Not Applicable]  
*(Applicable to Notes in definitive form.)*
- (e) Day Count Fraction: [30/360] [Actual/Actual (ICMA)]
- (f) [Determination Date(s): [[ ] in each year] [Not Applicable]
- (Only relevant where Day Count Fraction is Actual/Actual (ICMA). In such a case, insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon.)*
14. Floating Rate Note Provisions [Applicable/Not Applicable]
- (If not applicable, delete the remaining subparagraphs of this paragraph)*

- (a) Specified Period(s)/Specified Interest Payment Dates: [ ][, subject to adjustment in accordance with the Business Day Convention set out in (b) below/, not subject to adjustment, as the Business Day Convention in (b) below is specified to be Not Applicable]
- (b) First Interest Payment Date: [ ]
- (c) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention][Not Applicable]
- (d) Additional Business Centre(s): [ ]
- (e) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (f) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [ ]
- (g) Screen Rate Determination:
- Reference Rate: [ ] [ ] month  
[LIBOR/EURIBOR/SIBOR/BBSW/CAD-BA-CDOR]
  - Interest Determination Date(s): [ ]  
*(Second London business day prior to the start of each Interest Period if LIBOR (other than Sterling or euro LIBOR), first day of each Interest Period if Sterling LIBOR, BBSW or CAD-BA-CDOR, the second day on which the TARGET2 System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR and the second Singapore business day prior to the start of each Interest Period if SIBOR)*
  - Relevant Screen Page: [ ]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)*
- (h) ISDA Determination:
- Floating Rate Option: [ ]
  - Designated Maturity: [ ]
  - Reset Date: [ ]  
*(In the case to a LIBOR or EURIBOR based option the first day of the Interest Period)*
- (i) Linear Interpolation: [Not Applicable/Applicable – the Rate of interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (specify for each short or long interest period)]
- (j) Margin(s): [+/-] [ ] per cent.- Per annum
- (k) Minimum Rate of Interest: [ ] per cent., per annum
- (l) Maximum Rate of Interest: [ ] per cent., per annum

(m) Day Count Fraction: [Actual/Actual (ISDA)] [Actual/Actual]  
 Actual/365 (Fixed)  
 Actual/365 (Sterling)  
 Actual/360  
 [30/360] [360/360] [Bond Basis]  
 [30E/360] [Eurobond Basis]  
 30E/360 (ISDA)  
*(See Condition 6 for alternatives)*

15. Zero Coupon Note Provisions

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Accrual Yield: [ ] per cent., per annum  
 (b) Reference Price: [ ]  
 (c) Day Count Fraction in relation to Early Redemption Amounts: [30/360]  
 [Actual/360]  
 [Actual/365]

**PROVISIONS RELATING TO REDEMPTION**

16. Notice Periods for Condition 8.2

Minimum period: [ ] days

Maximum period: [ ] days

17. Issuer Call:

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Optional Redemption Date(s): [ ]  
 (b) Optional Redemption Amount: [ ] per Calculation Amount  
 (c) If redeemable in part:  
 (i) Minimum Redemption Amount: [ ] per Calculation Amount  
 (ii) Maximum Redemption Amount: [ ] per Calculation Amount  
 (d) Notice periods: Minimum period: [ ] days  
 Maximum period: [ ] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 5 clearing system business days' notice for a call) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

18. Investor Put:

[Applicable/Not Applicable]

*(If not applicable, delete the remaining subparagraphs of this paragraph)*

(a) Optional Redemption Date(s): [ ]  
 (b) Optional Redemption Amount and method, if any, of calculation of such [ ] per Calculation Amount

amount(s):

(c) Notice periods:

Minimum period: [ ] days

Maximum period: [ ] days

*(N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems (which require a minimum of 15 clearing system business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)*

19. Final Redemption Amount:

[ ] per Calculation Amount

*(N.B. Except in the case of Zero Coupon Notes where a Redemption/Payment Basis other than 100 per cent. of the nominal amount has been specified, the Final Redemption Amount shall be equal to 100 per cent. of the Calculation Amount per Calculation Amount)*

20. Early Redemption Amount payable on redemption for taxation reasons or on event of default:

[ ] per Calculation Amount

*(N.B. If the Final Redemption Amount is 100 per cent. of the nominal value (i.e. par), the Early Redemption Amount is likely to be par. If, however, the Final Redemption Amount is other than 100 per cent. of the nominal value, consideration should be given as to what the Early Redemption Amount should be)*

## GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Form of Notes:

[Bearer Notes:

[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

[Temporary Bearer Global Note exchangeable for Definitive Bearer Notes on and after the Exchange Date]

[Permanent Bearer Global Note exchangeable for Definitive Bearer Notes [on 60 days' notice given at any time/only upon an Exchange Event]]

[Swiss Global Note:

Swiss Global Note deposited with [SIX SIS AG, Olten, Switzerland] [ ]

[No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Notes (*Wertpapiere*) is necessary or useful.

If printed, individually certificated Notes will not be issued in bearer form but exclusively in registered form for U.S. tax purposes, whereby, *inter alia*, title will

pass exclusively by registration of the Holder in the Register to be established and maintained by the Swiss Registrar appointed by, and acting on behalf of, the Issuer after consultation with the Swiss Agent and duly notified to the Holders in accordance with Condition 15 of the Terms and Conditions.

In the case of delivery of the individually certificated Notes, the Swiss Global Note will immediately be cancelled by the Issuer and the individually certificated Notes shall be delivered to the Holders, who for this purpose need to be registered in the Register, against cancellation of the Intermediated Securities in their respective securities accounts. Printed individually certificated Notes shall not be included in the records of the Intermediary or any other clearing system or any other intermediary (*Verwahrungsstelle*) and, therefore shall not constitute Intermediated Securities.

The registration of a new Holder by the Swiss Registrar will only occur upon presentation of the relevant individually certificated Note at the specified office of the Swiss Registrar or the Swiss Agent. No transfer of a Note will be valid unless and until entered into the Register. A Note may be registered only in the name of and transferred to a specified person.]

[No physical delivery of the Notes represented by a Swiss Global Note shall be made unless and until definitive Bearer Notes shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Bearer Notes is necessary or useful or if the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of Noteholders. Should the Swiss Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders of the Notes. If printed, the definitive Bearer Notes shall be executed by affixing thereon the facsimile signatures of two authorised officers of the Issuer. In the case definitive Bearer Notes are delivered, the Swiss Global Note will immediately be cancelled by the Swiss Agent and the definitive Bearer Notes shall be delivered to the relevant holders against cancellation of the relevant Notes in such holders' securities accounts.]]

[The conversion of the Swiss Global Note into definitive Notes or Notes in uncertificated form is excluded. Neither the Issuer, the Holders, the Swiss Agent, nor any other party shall, at any time, have the right to effect or demand the conversion of the Swiss Global Note into, or the delivery of, definitive Notes or Notes in uncertificated form.]

[Registered Notes:  
Registered Global Note registered in the name of a nominee for a [common depositary/common safekeeper] for Euroclear and Clearstream, Luxembourg]

*[Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14th December 2005]*

[Swiss                      Uncertificated                      Notes:  
Swiss Uncertificated Notes entered into the main  
register (*Hauptregister*) of [SIX SIS AG, Olten,  
Switzerland] [   ]

[No physical delivery of the Swiss Uncertificated Notes shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Intermediary goes out of business without a successor.]

[No physical delivery of the Notes shall be made]]

*[N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the Notes in paragraph 5 includes language substantially to the following effect: [€100,000] and integral multiples of €1,000 in excess thereof up to and including [€199, 000]."]*

22. New Global Note (NGN):

[Yes][No]

*(In the case of a Registered Global Note or Swiss Global Note or Swiss Uncertificated Notes, this must be No)*

23. Additional Financial Centre(s):

[Not Applicable/give details]

*(Note that this paragraph relates to the date of payment and not Interest Period end dates to which sub-paragraph 14(d) relates)*

24. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):

[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

**[REPRESENTATIVE]** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

In accordance with article 43 of the Listing Rules of the SIX Swiss Exchange, the Issuer [and the Guarantor] has [have] appointed Credit Suisse AG, located at Paradeplatz 8, CH-8001 Zurich, as recognised representative to lodge the listing application with the SIX Exchange Regulation of the SIX Swiss Exchange.

**SIGNIFICANT OR MATERIAL ADVERSE CHANGE STATEMENT** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

[Save as disclosed in [refer to any relevant disclosure],] There has been no significant change in the financial or trading position of the Issuer [or the Guarantor] and there has been no material adverse change in the financial position or the prospects of the Issuer [or the Guarantor] since [insert date of latest annual or interim financial statements].

**RESPONSIBILITY** *(N.B. only to be included in case of Notes listed on SIX Swiss Exchange)*

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms.]

**[THIRD PARTY INFORMATION]**

[Relevant third party information has been extracted from [    ]. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [    ], no facts have been omitted which would render the reproduced information inaccurate or misleading].

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:

By: \_\_\_\_\_  
*Duly authorised*

By: \_\_\_\_\_  
*Duly authorised]*

## PART B—OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/ ] with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [the Luxembourg Stock Exchange/ ] with effect from [ ].] [The first day of trading on the SIX Swiss Exchange will be [date]. Application for definitive listing on the SIX Swiss Exchange will be made as soon as practicable thereafter and (if granted) will only be granted after the Issue Date. [The last day of trading on the SIX Swiss Exchange will be [date].]] [Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.]
- (ii) Minimum trading size [ ] [Not Applicable]
- (iii) Estimate of total expenses related to admission to trading: [ ]

### 2. RATINGS

[The Notes to be issued [[have been]/[are expected to be]] rated [insert details] by [insert the legal name of the relevant credit rating agency entity(ies)].]

*(The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*

[[Insert the legal name of the relevant credit rating agency entity] is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended). [As such [insert the legal name of the relevant credit rating agency entity] is included in the list of credit ratings agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation.]]

[[Insert the legal name of the relevant non-EU credit rating agency entity] is not established in the European Union and has not applied for registration under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). The ratings [[have been]/[are expected to be]] endorsed by [insert the legal name of the relevant EU-registered credit rating agency entity] in accordance with the CRA Regulation. [Insert the legal name of the relevant EU-registered credit rating agency entity] is established in the European Union and registered under the CRA Regulation.[ As such [insert the legal name of the relevant EU credit rating agency entity] is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation.]]

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

[Save for any fees payable to the [Managers/ Dealers], so far as the Issuer is aware, no person involved in the issue

of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services, for the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business] [ ]

[[*(When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive.)*]]

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

- (i) Reasons for the offer: [ ]
- (ii) Estimated net proceeds: [ ]
- (iii) Estimated total expenses: [ ]

#### 5. **YIELD (Fixed Rate Notes Only)**

Indication of yield: [ ]

#### 6. **OPERATIONAL INFORMATION**

- (i) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes] [No] [Not Applicable]

[Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [and registered in the name of a nominee of one of the ICSDs acting as common safekeeper] *[include this text for Notes in registered form which are to be held under the NSS]* and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.] *[include this text if “yes” selected in which case Bearer Notes must be issued in NGN form. Notes issued by CSG Finance Guernsey cannot constitute eligible collateral. If the Notes are in registered form but not to be held under the NSS, select “Not Applicable”.]*

[No. Whilst the designation is specified as “no” at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

- (ii) Delivery: Delivery [against/free of] payment
- (iii) Names and addresses of initial Paying Agent(s) (if any): [ ]
- (iv) Names and addresses of additional Paying Agent(s) (if any): [ ]

- (v) ISIN Code: [ ]
- (vi) Common Code: [ ]
- (vii) Swiss Security Number: [ ]
- (viii) Relevant Clearing System(s): [Euroclear/Clearstream Luxembourg/SIX SIS AG/other — give name(s), address(es) and number(s)]
- (ix) Notices to be published in a London Newspaper: [Yes] [No]
- (x) Schedule 4 of the Agency Agreement: [Applicable/Not Applicable].  
*(Schedule 4 of the Agency Agreement contains provisions for meetings of Noteholders and will be applicable except in the case of issues by CSG generally or CS, acting through its Zurich head office, if placed in Switzerland. If applicable, delete the following sub-paragraph)*
- (xi) Disclosure in relation to Swiss statutory rules on bondholder meetings: [Specify]

## 7. DISTRIBUTION

- (i) Method of distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated, names and addresses of Managers and underwriting commitments: [Not Applicable/give names, addresses and underwriting commitments]  
*(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)*
- (iii) Date of Subscription Agreement: [ ]
- (iv) Stabilisation Manager(s) (if any): [Not Applicable/give name]
- (v) If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- (vi) Total commission and concession: [ ] per cent. of the Aggregate Nominal Amount
- (vii) U.S. Selling Restrictions: [Reg. S Compliance Category [1/2/3]; TEFRA D/TEFRA C/TEFRA not applicable]]

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. In the case of Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms in relation to those Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to "Applicable Final Terms" for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by the Issuer (the **Issuer**) named in the applicable Final Terms (as defined below) pursuant to the Agency Agreement (as defined below).

References herein to the **Notes** shall be references to the Notes of this Series and shall mean:

- (a) in relation to any Notes represented by a global Note (a **Global Note**), units of each Specified Denomination in the Specified Currency;
- (b) any Global Note;
- (c) any definitive Notes in bearer form (**Bearer Notes**) issued in exchange for a Global Note in bearer form; and
- (d) any definitive Notes in registered form (**Registered Notes**) (whether or not issued in exchange for a Global Note in registered form); and
- (e) any Swiss Uncertificated Note(s).

The Notes and the Coupons (as defined below) have the benefit of an Amended and Restated Agency Agreement (such Agency Agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) dated 16th May 2013 and made between, among others, the Issuer, Credit Suisse Group AG (the **Guarantor**) as guarantor in relation to Notes issued by Credit Suisse Group Finance (Guernsey) Limited, BNP Paribas Securities Services, Luxembourg Branch as issuing and principal paying agent and agent bank in respect of all Notes other than Notes represented on issue by a Swiss Global Note and other than Swiss Uncertificated Notes (the **Agent**, which expression shall include any successor agent and, together with any other paying agents appointed under the Agency Agreement, the **Paying Agents**, which expression shall include any additional or successor paying agents), BNP Paribas Securities Services, Luxembourg Branch as registrar (the **Registrar**, which expression shall include any successor registrar) and as transfer agent (together with any other transfer agents appointed under the Agency Agreement, the **Transfer Agents**, which expression shall include any additional successor transfer agents) and Credit Suisse AG as issuing and principal paying agent in respect of Notes represented on issue by a Swiss Global Note and Swiss Uncertificated Notes (the **Swiss Agent**, which expression shall include any successor Swiss Agent). If this Note is represented on issue by a Swiss Global Note or in the case of Swiss Uncertificated Notes, the Swiss Agent and the other Swiss paying agents named in the applicable Final Terms will act as Agent and Paying Agents, respectively, in respect of this Note and the expressions **Agent** and **Paying Agents** shall be construed accordingly.

Interest bearing definitive Bearer Notes have interest coupons (**Coupons**) and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons (**Talons**) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue. Any references in the Conditions (as defined below) to Coupons or Talons shall not apply to Swiss Uncertificated Notes.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the **Conditions**) and, in the case of a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent

with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the **applicable Final Terms** are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note. 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 of the European Economic Area and includes any relevant implementing measure in the relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

If this Note is issued by Credit Suisse Group Finance (Guernsey) Limited, the payment of all amounts in respect of this Note has been guaranteed by the Guarantor pursuant to a guarantee (the **Guarantee**), dated 16th May 2013, and executed by the Guarantor. The original of the Guarantee is held by the Agent on behalf of the Noteholders and the Couponholders at its specified office. If this Note is issued by Credit Suisse AG or Credit Suisse Group AG, references to the Guarantor and the Guarantee in the Conditions are not applicable.

If this Note is issued by Credit Suisse AG, the applicable Final Terms will indicate whether this Note is issued through its Zurich head office or a specified Designated Branch.

Other than in the case of Bearer Notes represented by a Swiss Global Note or Swiss Uncertificated Notes, any reference to **Noteholders** or **holders** in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the person in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to **Couponholders** shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, **Tranche** means Notes which are identical in all respects (including as to listing and admission to trading) and **Series** means a Tranche of Notes together with any further Tranche or Tranches of Notes which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue.

The Noteholders and the Couponholders are entitled to the benefit of the Deed of Covenant ((such Deed of Covenant as modified and/or supplemented and/or restated from time to time, the **Deed of Covenant**) dated 16th May 2013 and made by the Issuer. The original of the Deed of Covenant is held by the common depositary for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement, the Guarantee and the Deed of Covenant are available for inspection during normal business hours at the specified office of each of the Paying Agents and Transfer Agents. If the Notes are to be admitted to trading on the regulated market of the Luxembourg Stock Exchange the applicable Final Terms will be published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). If this Note is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the Issuer or, as the case may be, the relevant Paying Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Guarantee, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In the Conditions, **euro** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended.

## 1. FORM, DENOMINATION AND TITLE

The Notes are in bearer form, registered form or uncertificated form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the currency (the **Specified Currency**) and the denominations (the **Specified Denomination(s)**) specified in the applicable Final Terms. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes, Registered Notes and Swiss Uncertificated Notes may not be exchanged for another form of Notes.

The Swiss Global Note representing Bearer Notes will be deposited with SIX SIS AG (**SIS**) or any other intermediary in Switzerland recognised for such purposes by the SIX Swiss Exchange AG (the **SIX Swiss Exchange**) (SIS or any such other intermediary, the **Intermediary**) on or prior to the original issue date of the Tranche. Once the Swiss Global Note has been deposited with the Intermediary and the relevant interests in the Swiss Notes entered into the accounts of one or more participants of the Intermediary, the Bearer Notes represented thereby will constitute intermediated securities (*Bucheffekten*) within the meaning of the Swiss Federal Intermediated Securities Act (*Bucheffektengesetz*) (**Intermediated Securities**).

In the case of Bearer Notes represented by a Swiss Global Note, each holder of the Bearer Notes shall have a quotal co-ownership interest (*Miteigentumsanteil*) in the Swiss Global Note to the extent of his claim against the Issuer, provided that for so long as the Swiss Global Note remains deposited with the Intermediary, the co-ownership interest shall be suspended.

No holder of the Bearer Notes represented by a Swiss Global Note will at any time have the right to effect or demand the conversion of the Swiss Global Note representing such Bearer Notes into, or the delivery of, definitive Bearer Notes or Notes in uncertificated form.

Swiss Uncertificated Notes will be entered into the main register (*Hauptregister*) of the Intermediary on or prior to their issue date. Once the Swiss Uncertificated Notes are registered in the main register of the Intermediary and entered into the accounts of one or more participants of the Intermediary, the Swiss Uncertificated Notes will constitute Intermediated Securities.

So long as the Swiss Uncertificated Notes constitute Intermediated Securities, they may only be transferred by the entry of the transferred Swiss Uncertificated Notes in a securities account of the transferee.

No holders of the Swiss Uncertificated Notes will at any time have the right to effect or demand the conversion of the Swiss Uncertificated Notes into, or the delivery of, a Bearer Global Note or definitive Bearer Notes.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor and the Paying Agents will (except as otherwise required by law) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held by or on behalf of or, as the case may be, registered in the name of a common nominee of, Euroclear Bank S.A./N.V. (**Euroclear**) and/or Clearstream Banking, société anonyme (**Clearstream, Luxembourg**) (or, as the case may be, a nominee for the common safekeeper), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error or proven error) shall be treated by the Issuer, the Guarantor and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the Issuer, the Guarantor and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions **Noteholder** and **holder of Notes** and related expressions shall be construed accordingly.

In the case of Bearer Notes represented by a Swiss Global Note or Swiss Uncertificated Notes, the records of the Intermediary will determine the nominal amount of Notes represented by that Swiss Global Note and held by or through each participant in the Intermediary. The holders of such Swiss Notes will be the persons holding such Notes in a securities account (*Effektenkonto*) which is in their name or, in the case of intermediaries (*Verwahrungsstellen*), the intermediaries (*Verwahrungsstellen*) holding such Notes for their own account in a securities account (*Effektenkonto*) which is in their name, and the expressions **Noteholder**

and **holder of Notes** and related expressions shall be construed accordingly, including in the context of Swiss Global Notes deposited with the Intermediary.

No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Bearer Notes shall have been printed. Bearer Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Bearer Notes is necessary or useful or if the presentation of definitive Bearer Notes is required by Swiss or other applicable laws and regulations in connection with the enforcement of rights of Noteholders. Should the Swiss Agent so determine, it shall provide for the printing of definitive Bearer Notes without cost to the holders of the Bearer Notes. If printed, the definitive Bearer Notes shall be executed by affixing thereon the facsimile signatures of two authorised officers of the Issuer. In the case definitive Bearer Notes are delivered, the Swiss Global Note will immediately be cancelled by the Swiss Agent and the definitive Bearer Notes shall be delivered to the relevant holders against cancellation of the relevant Bearer Notes in such holders' securities accounts.

However, if specified in the applicable Final Terms, the following shall be applicable to Bearer Notes represented by a Swiss Global Note: No physical delivery of the Bearer Notes represented by a Swiss Global Note shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the Swiss Agent determines, in its sole discretion, that the printing of the definitive Notes (*Wertpapiere*) is necessary or useful. If printed, individually certificated Notes will not be issued in bearer form but exclusively in registered form for U.S. tax purposes, whereby, *inter alia*, title will pass exclusively by registration of the Holder in a register of the Holders (the **Register**) to be established and maintained by a registrar (the **Swiss Registrar**) appointed by, and acting on behalf of, the Issuer after consultation with the Swiss Agent and duly notified to the Holders in accordance with Condition 15 of the Terms and Conditions. In the case of delivery of the individually certificated Notes, the Swiss Global Note will immediately be cancelled by the Issuer and the individually certificated Notes shall be delivered to the Holders, who for this purpose need to be registered in the Register, against cancellation of the Intermediated Securities in their respective securities accounts. Printed individually certificated Notes shall not be included in the records of the Intermediary or any other clearing system or any other intermediary (*Verwahrungsstelle*) and, therefore shall not constitute Intermediated Securities. The registration of a new Holder by the Swiss Registrar will only occur upon presentation of the relevant individually certificated Note at the specified office of the Swiss Registrar or the Swiss Agent. No transfer of a Note will be valid unless and until entered into the Register. A Note may be registered only in the name of and transferred to a specified person.

If the Final Terms so provide, the conversion of the Swiss Global Note into definitive Notes or Notes in uncertificated form is excluded. Neither the relevant Issuer, the Holders, the Swiss Agent nor any other party shall, at any time, have the right to effect or demand the conversion of the Swiss Global Note into, or the delivery of, definitive Notes or Notes in uncertificated form.

No physical delivery of the Swiss Uncertificated Notes shall be made. However, if specified in the applicable Final Terms, the following shall be applicable to Swiss Uncertificated Notes: No physical delivery of the Swiss Uncertificated Notes shall be made unless and until definitive Notes (*Wertpapiere*) shall have been printed. Notes may only be printed, in whole, but not in part, if the intermediary goes out of business without a successor.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and SIS, as the case may be. In the case of Bearer Notes represented by a Swiss Global Note, for so long as the Swiss Global Note remains deposited with the Intermediary, such Bearer Notes may only be transferred by the entry of the transferred Bearer Notes in a securities account of the transferee.

References to Euroclear, Clearstream, Luxembourg and/or SIS, whenever the context so permits, shall be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms and, in the case of SIS, approved by the SIX Swiss Exchange.

## **2. TRANSFERS OF REGISTERED NOTES**

### **2.1 Transfers of interests in Registered Global Notes**

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive registered form only in the authorised denominations set out

in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Agency Agreement.

## **2.2 Transfers of Registered Notes in definitive form**

Subject as provided in paragraph 2.5 below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (A) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (B) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 9 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

## **2.3 Registration of transfer upon partial redemption**

In the event of a partial redemption of Notes under Condition 8, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

## **2.4 Costs of registration**

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

## **2.5 Exchanges and transfers of Registered Notes generally**

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same Series at any time.

# **3. STATUS OF THE NOTES**

The Notes and any relative Coupons constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and rank *pari passu* with all other present or future unsecured and unsubordinated obligations of the Issuer and without any preference among themselves, except for such preferences as are provided by any mandatory applicable provision of law.

# **4. GUARANTEE**

This condition applies only to Notes issued by Credit Suisse Group Finance (Guernsey) Limited.

## **4.1 Guarantee of Notes**

The Guarantor has, pursuant to a guarantee dated 16th May 2013 and governed by English law (the **Guarantee**), undertaken for the benefit of the Noteholders and the Couponholders (in this Condition referred to as **Holders**) irrevocably and unconditionally to guarantee the payment of principal and interest and any other amounts due under these Conditions.

The Guarantee of the Notes constitutes an unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks *pari passu* with all other present or future unsecured and unsubordinated obligations of the Guarantor, except for such preferences as are provided by any mandatory applicable provision of law.

#### 4.2 **Rights of Holders**

All rights in respect of the Guarantee are held, and may be exercised exclusively, by the Holders, each of whom is directly entitled to require the Guarantor to fulfil its obligations under the Guarantee in respect of such Holder's claims under the Notes and may enforce such claims directly against the Guarantor without first having recourse to the Issuer.

#### 4.3 **Consolidation or merger**

The Guarantor has agreed pursuant to the Guarantee that it will not consolidate with or merge into any other Person (as defined below) or convey, transfer or lease its properties and assets substantially as an entirety to any Person, unless the Person formed by such consolidation or into which the Guarantor is merged or the Person that acquires by conveyance or transfer, or which leases, the properties and assets of the Guarantor substantially as an entirety shall be a corporation (including a bank), partnership, limited liability company or trust (or a branch of any of the foregoing), shall be validly existing under the laws of the jurisdiction of its organisation and shall expressly assume in writing the guarantee of the due and punctual payment of the principal of and interest on the Notes (including any additional amounts as specified in Condition 9) pursuant to the terms of the Guarantee and the performance or observance of every covenant in the Guarantee on the part of the Guarantor to be performed or observed.

**Person** means any individual, corporation, bank, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

#### 4.4 **Modification of Guarantee**

For so long as any of the Notes or Coupons are outstanding, any amendment or modification of the Guarantee shall require the consent of Noteholders holding at least 75 per cent. in principal amount of the Notes for the time being outstanding. Notwithstanding the foregoing, the Guarantee may be amended without the consent of any of the Holders, either:

- (a) for the purpose of curing any ambiguity of or curing, correcting or supplementing any defective provision contained in the Guarantee; or
- (b) in any manner necessary or desirable and which shall not be inconsistent with any other provision of the Guarantee and shall not be materially prejudicial to the interests of the Holders.

### 5. **This has been intentionally deleted.**

### 6. **INTEREST**

The applicable Final Terms will indicate whether the Notes are Fixed Rate Notes, Floating Rate Notes or Zero Coupon Notes.

#### 6.1 **Interest on Fixed Rate Notes**

This Condition 6.1 applies to Fixed Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of fixed rate interest and must be read in conjunction with this Condition 6.1 for full information on the manner in which interest is calculated on Fixed Rate Notes. In particular, the applicable Final Terms will specify the Interest Commencement Date, the Rate(s) of Interest, the Interest Payment Date(s), the Maturity Date, the Fixed Coupon Amount, any applicable Broken Amount, the Calculation Amount, the Day Count Fraction and any applicable Determination Date.

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum (expressed as a percentage) equal to the Rate(s) of Interest. Interest will be payable in arrear on each Interest Payment Date up to (and including) the Maturity Date (if any) subject as provided in Condition 7.6.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such

date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, **Fixed Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where a Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated, in respect of any period by applying the Rate of Interest to:

- (A) in the case of Fixed Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Fixed Rate Notes represented by such Global Note; or
- (B) in the case of Fixed Rate Notes in definitive form, the Calculation Amount

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 6.1:

- (a) if “Actual/Actual (ICMA)” is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **Accrual Period**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (b) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

**Determination Period** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**sub-unit** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

## 6.2 Interest on Floating Rate Notes

This Condition 6.2 applies to Floating Rate Notes only. The applicable Final Terms contains provisions applicable to the determination of floating rate interest and must be read in conjunction with this Condition 6.2 for full information on the manner in which interest is calculated on Floating Rate Notes. In particular, the applicable Final Terms will identify any Specified Interest Payment Dates, any Specified Period, the Interest Commencement Date, the Business Day Convention, any Additional Business Centres, whether ISDA Determination or Screen Rate Determination applies to the calculation of interest, the party who will calculate the amount of interest due if it is not the Agent, the Margin, any maximum or minimum interest rates and the Day Count Fraction. Where ISDA Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Floating Rate Option, Designated Maturity and Reset Date. Where Screen Rate Determination applies to the calculation of interest, the applicable Final Terms will also specify the applicable Reference Rate, Interest Determination Date(s) and Relevant Screen Page.

(a) **Interest Payment Dates**

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an **Interest Payment Date**) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period. In the Conditions, **Interest Period** means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (A) in any case where Specified Periods are specified in accordance with Condition 6.2(a)(ii) above, the Floating Rate Convention, such Interest Payment Date (a) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (ii) below shall apply *mutatis mutandis* or (b) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (i) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (ii) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (B) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (C) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (D) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, **Business Day** means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and

- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the **TARGET2 System**) is open.

(b) ***Rate of Interest***

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ***ISDA Determination for Floating Rate Notes***

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), **ISDA Rate** for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the **ISDA Definitions**) and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms; and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), **Floating Rate**, **Calculation Agent**, **Floating Rate Option**, **Designated Maturity** and **Reset Date** have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) ***Screen Rate Determination for Floating Rate Notes***

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (being either LIBOR, EURIBOR, SIBOR, BBSW or CAD-BA-CDOR), as specified in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (or such replacement page on that service which displays the information) as at 11.00 a.m. (London time, in the case of a determination of LIBOR, Brussels time, in the case of a determination of EURIBOR, Singapore time, in the case of a determination of SIBOR), 10.00 a.m. (Toronto time, in the case of a determination of CAD-BA-CDOR, Sydney time, in the case of a determination of BBSW) or the time in the Relevant Financial Centre specified in the applicable Final Terms, in the case of a determination of any other Reference Rate on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more

than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of (A) above, no offered quotation appears or, in the case of (B) above, fewer than three offered quotations appear, in each case as at 11.00 a.m. (London time, in the case of a determination of LIBOR, Brussels time, in the case of a determination of EURIBOR, Singapore time, in the case of a determination of SIBOR), 10.00 a.m. (Toronto time, in the case of a determination of CAD-BA-CDOR, Sydney time, in the case of a determination of BBSW) or the time in the Relevant Financial Centre specified in the applicable Final Terms, in the case of a determination of any other Reference Rate, the Agent shall request each of the Reference Banks to provide the Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately 11.00 a.m. (London time, in the case of a determination of LIBOR, Brussels time, in the case of a determination of EURIBOR, Singapore time, in the case of a determination of SIBOR), 10.00 a.m. (Toronto time, in the case of a determination of CAD-BA-CDOR, Sydney time, in the case of a determination of BBSW) or the time in the Relevant Financial Centre specified in the applicable Final Terms, in the case of a determination of any other Reference Rate on the Interest Determination Date in question. If two or more of the Reference Banks provide the Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately 11.00 a.m. (London time, in the case of a determination of LIBOR, Brussels time, in the case of a determination of EURIBOR, Singapore time, in the case of a determination of SIBOR), 10.00 a.m. (Toronto time, in the case of a determination of CAD-BA-CDOR, Sydney time, in the case of a determination of BBSW) or the time in the Relevant Financial Centre specified in the applicable Final Terms, in the case of a determination of any other Reference Rate on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Singapore inter-bank market (if the Reference Rate is SIBOR), the Sydney inter-bank market (if the Reference Rate is BBSW) or the Toronto inter-bank market (if the Reference Rate is CAD-BA-CDOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Agent with offered rates, the offered rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately 11.00 a.m. (London time, in the case of a determination of LIBOR, Brussels time, in the case of a determination of EURIBOR, Singapore time, in the case of a determination of SIBOR), 10.00 a.m. (Toronto time, in the case of a determination of CAD-BA-CDOR, Sydney time, in the case of a determination of BBSW) or the time in the Relevant Financial Centre specified in the applicable Final Terms, in the case of a determination of any other Reference Rate on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Agent it is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR), the Euro-zone inter-bank market (if the Reference Rate is EURIBOR), the Singapore inter-bank market (if the Reference Rate is SIBOR), the Sydney inter-bank market (if the Reference Rate is BBSW) or the Toronto inter-bank market (if the Reference Rate is CAD-BA-CDOR) or the inter-bank market of the Relevant Financial Centre (if any other Reference Rate is used) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be

determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

As used herein, **Reference Banks** means, in the case of a determination of LIBOR, the principal London office of four major banks in the London inter-bank market, in the case of a determination of EURIBOR, the principal Euro-zone office of four major banks in the Euro-zone inter-bank market, in the case of a determination of SIBOR, the principal Singapore office of four major banks in the Singapore interbank market, in the case of a determination of BBSW, the financial institutions authorised to quote on the Reuters Screen BBSW Page, in the case of a determination of CAD-BA-CDOR, the principal Toronto office of four major Canadian chartered banks listed in Schedule I to the Bank Act (Canada) and, in the case of a determination of a Reference Rate that is not LIBOR, EURIBOR, SIBOR, BBSW or CAD-BA-CDOR, the principal office of four major banks in the inter-bank market of the Relevant Financial Centre.

(c) ***Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) ***Determination of Rate of Interest and calculation of Interest Amounts***

The Agent will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Agent will calculate the amount of interest (the **Interest Amount**) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:

- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

**Day Count Fraction** means, in respect of the calculation of an amount of interest in accordance with this Condition 6.2:

- (i) if “Actual/365” or “Actual/Actual” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “Actual/365 (Fixed)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;

- (iii) if “Actual/365 (Sterling)” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “Actual/360” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “30/360”, “360/360” or “Bond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (I) the last day of the Interest Period is the 31st day of a month but the first day of the Interest 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 (II) the last day of the Interest 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)); and
- (vi) if “30E/360” or “Eurobond Basis” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (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 Interest Period unless, in the case of the final Interest Period, 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).

(e) ***Linear Interpolation***

Where Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified as applicable in the applicable Final Terms) or the relevant Floating Rate Option (where ISDA Determination is specified as applicable in the applicable Final Terms), one of which shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for a period of time next shorter or, as the case may be, next longer, then the Agent shall determine such rate at such time and by reference to such sources as it determines appropriate.

**Designated Maturity** means, in relation to Screen Rate Determination, the period of time designated in the Reference Rate.

(f) ***Notification of Rate of Interest and Interest Amounts***

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 15 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will promptly be notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 15. For the purposes of this paragraph, the expression **London Business Day** means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(g) ***Certificates to be final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6.2 by the Agent shall (in the absence of wilful default, bad faith or manifest error or proven error) be binding on the Issuer, the Guarantor, the Agent, the other Paying Agents and all Noteholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Guarantor, the Noteholder or the

Couponholders shall attach to the Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

### 6.3 **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 15.

## 7. **PAYMENTS**

### 7.1 **Method of payment**

Subject as provided below:

- (a) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (b) payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in any jurisdiction, but without prejudice to the provisions of Condition 9, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the **Code**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, and any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto.

### 7.2 **Presentation of definitive Bearer Notes and Coupons**

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in Condition 7.1 above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below)) should be presented for payment together with all unmaturing Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmaturing Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmaturing Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of 10 years after the Relevant Date (as defined in Condition 9) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 10) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmaturing Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A **Long Maturity Note** is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

### 7.3 Payments in respect of Bearer Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes or otherwise in the manner specified in the relevant Global Note, as applicable, against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

### 7.4 Payments in respect of Registered Notes

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the **Register**) at the close of business on the third business day (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) before the relevant due date. Notwithstanding the previous sentence, if (i) a holder does not have a Designated Account or (ii) the principal amount of the Notes held by a holder is less than U.S.\$250,000 (or its approximate equivalent in any other Specified Currency), payment may instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined below). For these purposes, **Designated Account** means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and **Designated Bank** means (in the case of payment in a Specified Currency other than euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney or Auckland, respectively) and (in the case of a payment in euro) any bank which processes payments in euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register (i) where in global form, at the close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date, and (ii) where in definitive form, at the close of business on the fifteenth day (whether or not such fifteenth day is a business day) before the relevant due date (the **Record Date**) at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition

arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer or, as the case may be, the Guarantor or the Paying Agents and Transfer Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

#### **7.5 General provisions applicable to payments**

The holder of a Global Note (other than a Swiss Global Note) shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (a) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (b) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (c) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

#### **7.6 Payments for Notes represented by a Swiss Global Note or Swiss Uncertificated Notes**

The Issuer or, as the case may be, the Guarantor shall make all payments of principal and interest due under Bearer Notes represented by a Swiss Global Note or Swiss Uncertificated Notes to the Swiss Agent which shall, where applicable, promptly reimburse each other Swiss paying agent on demand for payments in respect of such Notes properly made by such other Swiss paying agent. Payments in respect of such Notes will be made irrespective of any present or future transfer restrictions and without regard to any bilateral or multilateral payment or clearing agreement which may be applicable at the time of such payments. The receipt by the Swiss Agent of the due and punctual payment of funds in Zurich shall release the Issuer from its obligations under the Notes (and any Coupons appertaining to them) for the payment of principal and interest to the extent of such payment. Payment of principal and/or interest under Swiss Franc denominated Notes (and any Coupons appertaining to them) shall be payable in freely transferable Swiss Francs, and in the case of Notes denominated in a currency other than Swiss Francs in such other currency, which shall also be freely transferable, without collection costs in Switzerland at the specified offices located in Switzerland of the Swiss paying agents upon their surrender without any restrictions and whatever the circumstances may be, irrespective of nationality, domicile or residence of the holders of the Notes (and any Coupons appertaining to them) and without requiring any certification, affidavit or the fulfilment of any other formality.

#### **7.7 Payment Day**

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, **Payment Day** means any day which (subject to Condition 10) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:

- (i) in the case of Notes in definitive form only, the relevant place of presentation (if presentation is required); and
- (ii) each Additional Financial Centre specified in the applicable Final Terms; and
- (b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open.

## **7.8 Interpretation of principal and interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 9;
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 8.5); and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9.

## **8. REDEMPTION AND PURCHASE**

### **8.1 Redemption at maturity (if any)**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount calculated as follows:

- (a) in the case of a Note (other than a Zero Coupon Notes where a Redemption/Payment Basis other than 100 per cent. of the nominal amount has been specified in the applicable Final Terms), at 100 per cent. of the Calculation Amount per Calculation Amount as specified in the applicable Final Terms; or
- (b) in the case of a Zero Coupon Note where a Redemption/Payment Basis other than 100 per cent. of the nominal amount has been specified in the applicable Final Terms, at the amount specified in the applicable Final Terms,

in each case in the relevant Specified Currency on the Maturity Date specified in the applicable Final Terms.

### **8.2 Redemption for tax reasons**

Subject to Condition 8.5, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note Linked Interest Note nor on any Interest Payment Date (if this Note is a Floating Rate Note, on giving not less than the minimum period and not more than the maximum period of notice specified in the applicable Final Terms to the Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable):

- (a) if (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 or the Guarantor would, if required to pay under the Guarantee, become obliged to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 9) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to

issue the first Tranche of the Notes and (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it; or

- (b) if the Issuer or the Guarantor is prevented by applicable law from making payment of the full amount then due and payable.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent to make available at its Specified Office to the Noteholders (i) a certificate signed by two Directors of the Issuer or, as the case may be, two authorised persons of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment or become prevented by applicable law from making such payments, as the case may be.

Notes redeemed pursuant to this Condition 8.2 will be redeemed at their Early Redemption Amount referred to in Condition 8.5 below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### 8.3 **Redemption at the option of the Issuer (Issuer Call)**

This Condition 8.3 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Issuer (other than for taxation reasons), such option being referred to as an **Issuer Call**. The applicable Final Terms contains provisions applicable to any Issuer Call and must be read in conjunction with this Condition 8.3 for full information on any Issuer Call. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount, any minimum or maximum amount of Notes which can be redeemed and the applicable notice periods.

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice set out in the applicable Final Terms to the Noteholders in accordance with Condition 15 (which notices shall be irrevocable, shall specify the date fixed for redemption and, if any pre-conditions to such redemption are specified in the applicable Final Terms, that such pre-conditions have been met), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms.

In the case of a partial redemption of Notes, the Notes to be redeemed (**Redeemed Notes**) will (i) in the case of Redeemed Notes represented by definitive Notes, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Redeemed Notes represented by a Global Note, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 15 not less than 15 days prior to the date fixed for redemption.

### 8.4 **Redemption at the option of the Noteholders (Investor Put)**

This Condition 8.4 applies to Notes which are subject to redemption prior to the Maturity Date at the option of the Noteholder, such option being referred to as an **Investor Put**. The applicable Final Terms contains provisions applicable to any Investor Put and must be read in conjunction with this Condition 8.4 for full information on any Investor Put. In particular, the applicable Final Terms will identify the Optional Redemption Date(s), the Optional Redemption Amount and the applicable notice periods.

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 15 not less than the minimum period nor more than the maximum period of notice set out in the applicable Final Terms the Issuer will, upon the expiry of such notice, redeem such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 8.4 in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg, deliver, at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a **Put Notice**) and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with Condition 2.2. If this Note is in definitive form, the Put Notice must be accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control. If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, the terms of which require presentation for recording changes to its nominal amount, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg given by a holder of any Note pursuant to this Condition 8.4 shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this Condition 8.4 and instead to declare such Note forthwith due and payable pursuant to Condition 11.

## 8.5 Early Redemption Amounts

For the purpose of Condition 8.2 above and Condition 11.1:

- (a) each Note (other than a Zero Coupon Note) will be redeemed at its Early Redemption Amount:
- (b) each Zero Coupon Note will be redeemed at an amount (the **Amortised Face Amount**) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

<sup>y</sup> is the Day Count Fraction specified in the applicable Final Terms which will be either (i) 30/360 (in which case the numerator is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360, or (ii) Actual/360 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 360) or (iii) Actual/365 (in which case the numerator will be equal to the actual number of days from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator will be 365).

or on such other calculation basis as may be specified in the applicable Final Terms.

## 8.6 Purchases

The Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes at any price in the open market or otherwise. Any purchase shall be made in accordance with applicable laws or regulations, including (without limitation) applicable stock exchange regulations.

The Notes so purchased, while held by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries, shall not entitle the Noteholder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 16. Notes so purchased may be held, resold or surrendered to any Paying Agent and/or the Registrar for cancellation.

## 8.7 Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 8.6 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be reissued or resold.

## 8.8 Late payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 8.1, 8.2, 8.3 or 8.4 above or upon its becoming due and repayable as provided in Condition 11 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 8.5(b) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 15.

## 9. TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Notes and Coupons (including amounts paid by the Guarantor) shall be made free and clear of, and without withholding or deduction for, any taxes, duties assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by any governmental or other taxing authority unless such withholding or deduction is required by law. In the event that any such withholding or deduction is imposed in respect of the Notes or Coupons by or on behalf of any Tax Jurisdiction, the Issuer or, as the case may be, the Guarantor will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable by the Issuer or the Guarantor to any such holder on account of:

- (a) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon by reason of the holder thereof having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (b) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to such additional amounts on presenting the same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 7.7); or
- (c) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon where such withholding or deduction is imposed on a payment to an individual and is (i) required to be made pursuant to European Council Directive 2003/48/EC of 3rd June 2003 (the **EU Savings Tax Directive**) on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, the EU Savings Tax Directive, or (ii) required to be made

pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the EU Savings Tax Directive (including, but not limited to, the Agreement between the European Community and the Confederation of Switzerland dated as of 26th October 2004 and agreements between Guernsey and the EU Member States), or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements; or

- (d) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon where such withholding or deduction is required to be made pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles similar to those laid down in the draft legislation proposed by the Swiss Federal Council on 24th August 2011, including, without limitation, the principle to have a person other than the relevant Issuer withhold or deduct tax; or
- (e) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note or Coupon to another Paying Agent in a Member State of the European Union; or
- (f) any such taxes, duties, assessments or other governmental charges imposed in respect of such Notes or Coupon where such withholding or deduction is required by the Swiss Federal Withholding Tax Act of 13th October 1965 (*Bundesgesetz über die Verrechnungssteuer vom 13 Oktober 1965*) and such Notes are issued by Credit Suisse AG, acting through its Zurich head office or Credit Suisse Group AG; or
- (g) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon where such withholding or deduction is required to be made pursuant to any agreement between Switzerland and another country on final withholding taxes (*Internationale Quellensteuern*) levied by a Swiss paying agent, as defined in the respective treaty, in respect of an individual resident in the other country on interest or capital gain paid, or credited to an account, relating to such Note or Coupon; or
- (h) any combination of two or more items (a) through (g) above.

As used herein:

- (i) **Tax Jurisdiction** means in relation to Notes issued by Credit Suisse Group Finance (Guernsey) Limited, Guernsey, in relation to Credit Suisse AG, Switzerland and the jurisdiction where the Designated Branch (if any) is located and in relation to Notes issued or guaranteed by Credit Suisse Group AG, Switzerland and, in each case, including any authority thereof or therein having power to tax; and
- (ii) the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

## 10. PRESCRIPTION

Claims for payment of principal and interest under the Notes (whether in bearer or registered form) will become void unless made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 7.2 or any Talon which would be void pursuant to Condition 7.2.

## 11. EVENTS OF DEFAULT AND ENFORCEMENT

### 11.1 Events of Default relating to Notes

If any of the following events (each an **Event of Default**) occurs and is continuing:

(a) ***Non-payment of interest***

the Issuer fails to pay in the Specified Currency any interest on any of the Notes when due and such failure continues for a period of 30 days; or

(b) ***Non-payment of principal***

the Issuer fails to pay in the Specified Currency the principal of any of the Notes when due and such failure continues for a period of 10 days; or

(c) ***Breach of other obligations***

the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations under the Notes or the Guarantee which default is incapable of remedy or is not remedied within 60 days after notice of such default shall have been given to the Agent at its specified office by any Noteholder; or

(d) ***Insolvency***

(i) the Issuer or the Guarantor is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or the Guarantor; or

(ii) the Issuer or the Guarantor commences a voluntary case or proceeding under any applicable bankruptcy, insolvency, reorganisation or similar law to be adjudicated insolvent or bankrupt, or consents to the entry of a decree or order for relief in any involuntary case or proceeding under any such law, or takes or consents to any similar action; or

(e) ***Winding-up***

an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or the Guarantor, or the Issuer or the Guarantor ceases or threatens to cease to carry on all or a material part of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution (as defined below) of the Noteholders; or

(f) ***Guarantee***

the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect;

then any Note may, by notice in writing given to the Agent at its specified office by the Noteholder, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further formality unless such Event of Default shall have been remedied prior to the receipt of such notice by the Agent.

## **12. REPLACEMENT OF NOTES COUPONS AND TALONS**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent (in the case of Bearer Notes, Coupons or Talons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **13. PAYING AGENTS AND TRANSFER AGENTS**

The names of the initial Paying Agents and Transfer Agents and their initial specified offices are set out below. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the applicable Final Terms.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent or Transfer Agents (including in circumstances where any Paying Agent or Registrar does not become, or ceases to be, a Participating FFI)

and/or appoint additional or other Paying Agents and Transfer Agents and/or approve any change in the specified office through which any Paying Agent or Transfer Agents acts, provided that:

- (a) there will at all times be an Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to trading by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;
- (c) there will at all times be a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (d) except for Swiss Notes, the Issuer and the Guarantor shall at all times maintain a Paying Agent in a jurisdiction within Europe other than Switzerland that will not be required to withhold or deduct tax pursuant to laws enacted in Switzerland providing for the taxation of payments according to principles similar to those laid down (i) in the European Council Directive 2003/48/EC or (ii) in the draft legislation proposed by the Swiss Federal Council on 24th August 2011, in particular the principle to have a person other than the Issuer withhold or deduct the tax; and
- (e) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer or the Guarantor is incorporated.

So long as any Swiss Franc denominated Notes are listed on the SIX Swiss Exchange, the Issuer or the Guarantor will at all times maintain a Swiss Agent having a specified office in Switzerland. At no time will the Issuer or Guarantor maintain a Paying Agent having a specified office outside of Switzerland in respect of Swiss Franc denominated Notes listed on the SIX Swiss Exchange.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 7.5. Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15.

In acting under the Agency Agreement, the Paying Agents and Transfer Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholders or Couponholders. The Agency Agreement contains provisions permitting any entity into which any Paying Agent or Transfer Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

In these Conditions:

**FFI** means a “foreign financial institution” as such term is defined pursuant to Sections 1471 to 1474 (inclusive) of the Code and any regulations thereunder or official interpretations thereof.

**Participating FFI** means an FFI that is a “participating foreign financial institution” as from the effective date of withholding on “passthru payments” (as such terms are defined pursuant to Sections 1471 to 1474 (inclusive) of the Code and any regulations thereunder or official interpretations thereof).

#### 14. EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

#### 15. NOTICES

All notices regarding the Bearer Notes or the Swiss Uncertificated Notes will be deemed to be validly given if published (a) if so specified in the applicable Final Terms, in a leading English language daily newspaper of general circulation in London it being expected that any such publication in a newspaper will be made in the *Financial Times* in London, (b) if and for so long as the Bearer Notes are admitted to trading on the Regulated Market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange, a daily newspaper of general circulation in Luxembourg, it being expected that such publication will be made

in the *Luxemburger Wort* or the *Tageblatt* in Luxembourg or on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and (c) if and so long as the Notes are listed on the SIX Swiss Exchange and so long as the rules of the SIX Swiss Exchange so require, either (i) by means of electronic publication on the internet website of the SIX Swiss Exchange ([www.six-swiss-exchange.com](http://www.six-swiss-exchange.com), where notices are currently published under the address [www.six-swiss-exchange.com/bonds/issuers/official\\_notices/search\\_en.html](http://www.six-swiss-exchange.com/bonds/issuers/official_notices/search_en.html)) or (ii) otherwise in accordance with the regulations of the SIX Swiss Exchange. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Bearer Notes or the Swiss Uncertificated Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address outside Luxembourg) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes the second day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Agent (in the case of Bearer Notes or Swiss Uncertificated Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

## **16. MEETINGS OF NOTEHOLDERS, MODIFICATION AND WAIVER**

Schedule 4 of the Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes the Coupons or any of the provisions of the Agency Agreement or the Guarantee. Such a meeting may be convened by the Issuer or the Guarantor and shall be convened by the Issuer if required in writing by Noteholders holding not less than 10 per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is two or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting two or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons, modifying the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass an Extraordinary Resolution or modifying or cancelling the Guarantee), the quorum shall be two or more persons holding or representing not less than three-quarters in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting two or more persons holding or representing not less than one-quarter in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

In the case of Notes issued by Credit Suisse Group AG and Credit Suisse AG the Swiss statutory rules on bondholder meetings may, if Schedule 4 of the Agency Agreement is specified as not being applicable in the

applicable Final Terms, apply instead of the above provisions. Any relevant disclosures in relation to such rules will be set out in the applicable Final Terms.

The Agency Agreement may be amended by all the parties to it, without the consent of the Noteholders or Couponholders, either:

- (a) for the purpose of curing any ambiguity or of curing, correcting or supplementing any defective provision contained in the Agency Agreement; or
- (b) in any manner which the parties may mutually deem necessary or desirable and which shall not be inconsistent with any other condition of the Agency Agreement and shall not be materially prejudicial to the interests of the Noteholders and the Couponholders.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

## **17. CURRENCY INDEMNITY**

The Specified Currency is the sole currency of account and payment for all sums payable by the Issuer or the Guarantor under or in connection with the Notes and the Coupons, including damages. Any amount received or recovered in a currency other than the Specified Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer or the Guarantor or otherwise) by any Noteholder or Couponholder in respect of any sum expressed to be due to it from the Issuer or Guarantor shall only constitute a discharge to the Issuer and Guarantor to the extent of the amount of the Specified Currency which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so). If that Specified Currency amount is less than the Specified Currency amount expressed to be due to the recipient under any Note or Coupon, the Issuer (or the Guarantor, as the case may be) shall indemnify it against any loss sustained by it as a result. In any event, the Issuer (or the Guarantor, as the case may be) shall indemnify the recipient against the cost of making any such purchase. For the purposes of this Condition, it will be sufficient for the Noteholder or Couponholder, as the case may be, to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Noteholder or Couponholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or Coupon or any other judgement or order.

## **18. FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **19. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **20. GOVERNING LAW AND SUBMISSION TO JURISDICTION**

### **20.1 Governing law**

The Agency Agreement, the Deed of Covenant, the Guarantee, the Notes, the Coupons and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed, the Notes and the Coupons are governed by, and shall be construed in accordance with, English law.

### **20.2 Submission to jurisdiction**

The Issuer irrevocably agrees, for the benefit of the Noteholders and the Couponholders, that the courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Notes and/or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in

connection with the Notes and/or the Coupons) and accordingly submits to the jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. To the extent allowed by law, the Noteholders and the Couponholders, may take any suit, action or proceedings (together referred to as **Proceedings**) arising out of or in connection with the Notes and the Coupons (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Notes and the Coupons), against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

#### 20.3 **Appointment of Process Agent**

The Issuer has appointed Credit Suisse AG, London Branch at its registered office at One Cabot Square, London E14 4QJ as its agent for service of process, and undertakes that, in the event of Credit Suisse AG, London Branch ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

#### 20.4 **Other documents**

The Issuer has in the Agency Agreement and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be applied by each of the Issuers for their general corporate purposes, which include making a profit. The net proceeds from each issue of Notes of Credit Suisse Group Finance (Guernsey) Limited and Credit Suisse AG (acting through a Designated Branch outside of Switzerland) will be applied by such Issuer outside Switzerland unless use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence of such use of proceeds in Switzerland. If, in respect of any particular issue of Notes, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## THE GUARANTEE

This Guarantee (the **Guarantee**) dated 16 May 2013 is entered into by Credit Suisse Group AG (the **Guarantor**) for the benefit of the holders of Notes (as defined herein) issued by Credit Suisse Group Finance (Guernsey) Limited (the **Relevant Issuer**) under the Euro Medium Term Note Programme referred to herein.

### 1. GUARANTEE

Taking into consideration:

- (a) that Credit Suisse Group Finance (Guernsey) Limited, Credit Suisse and Credit Suisse Group AG (each an **Issuer** and together the **Issuers**) have established, increased and updated a Euro Medium Term Note Programme (the **Programme**) and, in this connection, have entered into an Amended and Restated Agency Agreement (as the same may be amended and/or restated from time to time, the **Agency Agreement**) dated 16 May 2013 with BNP Paribas Securities Services, Luxembourg Branch (the **Agent**);
- (b) that the Guarantor wishes to guarantee the obligations of the Relevant Issuer under the Notes issued by it (the **Relevant Notes**) for the benefit of the holders of the Relevant Notes and any interest coupons attached thereto (the **Coupons**) (the holders of Relevant Notes and Coupons attached to them being referred to herein as the **Holders**),

the Guarantor as primary obligor irrevocably and unconditionally:

- (i) guarantees to the Holders by way of continuing guarantee, and not merely as a surety, irrespective of the validity of the Relevant Notes or the Coupons attached to them, and waiving all rights of objection and defence arising from the Relevant Notes or the Coupons attached to them, to pay to the Agent on behalf of the Holders any amount due and payable by the Relevant Issuer under the Relevant Notes or the Coupons attached to them (including any premium or additional amounts which may become payable under Condition 9) as and when the same shall become due according to the Conditions; and
- (ii) agrees that, if and each time that the Relevant Issuer shall fail to make any payment as and when the same becomes due, the Guarantor will on demand (without requiring the relevant Holder first to take steps against the Relevant Issuer or any other person) pay to the relevant Holder the amounts (as to which the certificate of the relevant Holder shall in the absence of manifest error be conclusive) in the currency in which the amounts are payable by the Relevant Issuer.

### 2. RANKING AND SUBORDINATION

This Guarantee constitutes an unconditional, unsecured and unsubordinated obligation of the Guarantor and ranks *pari passu* with all other present or future unsecured and unsubordinated obligations of the Guarantor, except for such preferences as are provided by any mandatory applicable provision of law.

### 3. PAYMENTS

Payments under this Guarantee will be made in accordance with Condition 7 of the Terms and Conditions of the Notes.

### 4. TAXATION

All payments under this Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Switzerland or any authority thereof or therein having power to tax (**Switzerland**), unless such withholding or deduction is required by law. In that event, the Guarantor shall pay such additional amounts as will result in receipt by the Holders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable by the Guarantor to any such Holder for or on account of:

- (a) any such taxes, duties, assessments or other governmental charges imposed by reason of the Holder having some connection with Switzerland other than the mere holding of a Relevant Note or a Coupon attached to it;

- (b) any such taxes, duties, assessments or other governmental charges imposed in respect of a Relevant Note or a Coupon attached to it presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the Holder would have been entitled to such additional amounts on presenting such Relevant Note or Coupon for payment on the last day of such period of 30 days assuming that day to have been a Payment Day (as defined in Condition 7.7);
- (c) any such taxes, duties, assessments or other governmental charges where such withholding or deduction (i) is required to be made pursuant to European Council Directive 2003/48/EC of 3rd June 2003 (the **EU Savings Tax Directive**) or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, the EU Savings Tax Directive, or (ii) is required to be made pursuant to any agreements between the European Community and other countries or territories providing for measures equivalent to those laid down in the EU Savings Tax Directive (including, but not limited to, the Agreement between the European Community and the Confederation of Switzerland dated as of 26th October 2004 (the **Swiss Savings Tax Agreement**) and the agreements between Guernsey and the EU Member States (the **Guernsey Savings Tax Agreements**)), or any law or other governmental regulation implementing or complying with, or introduced in order to conform to, such agreements;
- (d) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon where such withholding or deduction is required to be made pursuant to laws enacted by Switzerland providing for the taxation of payments according to principles similar to those laid down in the draft legislation proposed by the Swiss Federal Council on 24th August 2011, including, without limitation, the principle to have a person other than the relevant Issuer withhold or deduct tax;
- (e) any such taxes, duties, assessments or other governmental charges imposed in respect of such Note or Coupon where such withholding or deduction is required to be made pursuant to any agreement between Switzerland and another country on final withholding taxes (*Internationale Quellensteuern*) levied by a Swiss paying agent, as defined in the respective treaty, in respect of an individual resident in the other country on interest or capital gain paid, or credited to an account, relating to such Note or Coupon;
- (f) any such taxes, duties, assessments or other governmental charges in respect of a Relevant Note or a Coupon attached to it which is presented for payment by or on behalf of a Holder who would have been able to avoid such withholding or deduction by presenting the Relevant Note or Coupon to another Paying Agent in a Member State of the EU; or
- (g) any combination of two or more items (a) through (f) above.

Any reference in this Guarantee to principal or interest shall be deemed to include any additional amounts which may be payable under this Clause 4.

Any references in this Guarantee to the EU Savings Tax Directive, the Swiss Savings Tax Agreement or the Guernsey Savings Tax Agreements is a reference to that Directive or Agreement as extended, amended, re-enacted, supplemented or restated.

As used herein, the **Relevant Date** means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

## 5. MERGER, CONSOLIDATION, SUBSTITUTION

The Guarantor undertakes not to consolidate with or merge into any other Person (as defined below) or convey, transfer or lease its properties and assets substantially as an entirety to any Person, unless the Person formed by such consolidation or into which the Guarantor is merged or the Person that acquires by conveyance or transfer, or which leases, the properties and assets of the Guarantor substantially as an entirety shall be a corporation (including a bank), partnership, limited liability company or trust (or a branch of any of the foregoing), shall be validly existing under the laws of the jurisdiction of its organisation and shall expressly assume in writing the guarantee of the due and punctual payment of the principal of and interest on the Relevant Notes (including any additional amounts as specified in Clause 4) pursuant to the terms hereof and the performance or observance of every covenant herein on the part of the Guarantor to be performed or observed.

**Person** means any individual, corporation, bank, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

## 6. AMENDMENT

For so long as any of the Relevant Notes are outstanding, any amendment or modification of this Guarantee which affects the rights of the Holders of such Relevant Notes shall require the consent of Holders holding at least 75 per cent. in principal amount of the Relevant Notes for the time being outstanding. Notwithstanding the foregoing, this Guarantee may be amended without the consent of any of the Holders, either:

- (a) for the purpose of curing any ambiguity of or curing, correcting or supplementing any defective provision contained in this Guarantee; or
- (b) in any manner necessary or desirable and which shall not be inconsistent with any other provision of this Guarantee and shall not be materially prejudicial to the interests of the Holders.

In addition, from time to time one or more new guarantees may be entered into by the Guarantor reflecting amendments made to the Programme. Without affecting in any manner the rights of Holders of Relevant Notes issued prior to the Relevant Date (as defined below), this Guarantee shall not apply to any issue of Notes after the date (the **Relevant Date**) on which the first such new guarantee is entered into which by its terms is expressed to apply to Relevant Notes issued under the Programme after its date.

## 7. MISCELLANEOUS

- (a) The obligations of the Guarantor under this Guarantee shall not be affected by any matter or thing which but for this provision might operate to affect the obligations including, without limitation:
  - (i) any time or indulgence granted to or composition with the Relevant Issuer or any other person;
  - (ii) the taking, variation, renewal or release of remedies or securities against the Relevant Issuer or any other person; or
  - (iii) any unenforceability, invalidity or irregularity.
- (b) The Guarantor's obligations under this Guarantee are and will remain in full force and effect by way of continuing security until no sum remains payable under the Relevant Notes to which it applies or the Coupons attached to them. The obligations of the Guarantor hereunder are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise. This Guarantee shall give rise to a separate and independent cause of action against the Guarantor, and may be enforced without first having recourse to the Relevant Issuer, any other person, any security or any other guarantee or indemnity. All rights in respect of this Guarantee are held, and may be exercised exclusively, by the Holders, each of whom is directly entitled to require the Guarantor to fulfil its obligations under the Guarantee in respect of such Holder's claims under the Relevant Notes or the Coupons attached to them and may enforce such claims directly against the Guarantor without first having recourse to the Relevant Issuer.
- (c) So long as any sum remains payable by the Relevant Issuer under any Relevant Notes issued by it to which this Guarantee applies or the Coupons attached to them, no right of the Guarantor, by reason of the performance of any of its obligations under this Guarantee, to be indemnified by the Relevant Issuer or to take the benefit of or enforce any security or other guarantee or indemnity shall be exercised or enforced. Until all amounts which may be or become payable in respect of the Relevant Notes to which this Guarantee applies and the Coupons attached to them have been irrevocably paid in full, the Guarantor shall not by virtue of this Guarantee be subrogated to any rights of the Holders or claim in competition with the Holders against the Relevant Issuer.
- (d) Any settlement or discharge (whether in respect of the obligations of the Relevant Issuer or any security for the obligations of the Relevant Issuer or otherwise) in whole or in part or any arrangement made on the faith of any payment, security or other disposition shall be conditional upon no payment to the Holder being avoided or reduced by virtue of any provision or enactment relating to bankruptcy, insolvency or liquidation or similar laws of general application and, in the event of any such payment being so avoided or reduced, the Holder shall be entitled to recover from the Guarantor

the amount by which such payment is so avoided or reduced as if such settlement or discharge had not occurred. The Holder, acting in good faith, shall be entitled to concede or compromise any claim that any settlement of discharge is liable to avoidance or reduction.

## 8. GOVERNING LAW AND JURISDICTION

- (a) This Guarantee and any non-contractual obligations arising out of or in connection with this Guarantee are governed by, and shall be construed in accordance with, the laws of England.
- (b) Subject to subparagraph (d) below, the Guarantor irrevocably agrees for the benefit of the Holders that the courts of England are to have jurisdiction to settle any dispute which may arise out of or in connection with this Guarantee (including any dispute relating to any non-contractual obligations arising out of or in connection with this Guarantee) and accordingly submit to the jurisdiction of the English courts.
- (c) The Guarantor waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.
- (d) To the extent allowed by law, the Holders may take any suit, action or proceeding arising out of or in connection with this Guarantee (including any suit, action or proceeding relating to any non-contractual obligations arising out of or in connection with this Guarantee) (together referred to as **Proceedings**) against the Guarantor in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.
- (e) The Guarantor appoints Credit Suisse, London Branch of One Cabot Square, London E14 4QJ to accept service of process on its behalf. If such person shall cease to have an office in London, the Guarantor shall appoint another person with an office in London to accept service. The Guarantor will procure that, so long as any of the Notes remains outstanding, a person with an office in London shall be appointed to accept service. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by law.

Terms and expressions not otherwise defined in this Guarantee shall have the same meaning as in the Terms and Conditions of the Notes.

**IN WITNESS** whereof the Guarantor has caused this Deed to be duly executed the day and year first mentioned.

Executed as a deed by	)	
<b>CREDIT SUISSE GROUP AG</b>	)	.....
acting by	)	
acting on the authority	)	.....
of that company in	)	
the presence of:	)	
Witness:		
Name:		
Address:		

## CREDIT SUISSE GROUP FINANCE (GUERNSEY) LIMITED

### General

Credit Suisse Group Finance (Guernsey) Limited is a non-cellular company incorporated in Guernsey, limited by shares. CSG Finance Guernsey was incorporated on 26th August 1994 in Guernsey with registration number 28538 and shall continue in existence until it is removed from the Register of Companies in accordance with Guernsey law. The registered office of CSG Finance Guernsey is located at Helvetia Court, South Esplanade, St. Peter Port, Guernsey GY1 3WF. Their telephone number is +44-1481-719-088.

CSG Finance Guernsey is wholly-owned by CSG. CSG Finance Guernsey exists for the purpose of and its principal activities involve issuing debt securities, the proceeds of which will be advanced to, or otherwise invested in, subsidiaries or affiliates of CSG. Accordingly, CSG Finance Guernsey is dependent on CSG and other members of the Group servicing these advances.

The issued share capital of CSG Finance Guernsey is U.S.\$12,000 divided into 12,000 fully paid up ordinary shares with a nominal value of U.S.\$1 each. The share capital of CSG Finance Guernsey is 80,000,000 ordinary shares of U.S.\$1 each.

### Management

The Directors of CSG Finance Guernsey are as follows:

Name	Position	Principal Activities outside CSG Finance Guernsey
Roy McGregor	Director	Chief Executive Officer, Credit Suisse (Channel Islands) Limited
Roger Rimann	Director	Treasurer, Credit Suisse (Channel Islands) Limited
Mark Hoyow	Director	Chief Operations Officer, Credit Suisse (Channel Islands) Limited
Anthony L. Le Conte	Director	Head of New Business, Credit Suisse (Channel Islands) Limited
John E. Langlois	Director	Chairman, Trinity Trust Company Limited
Kim Fox-Moertl	Director	Treasury/Capital Management, Credit Suisse

The business address of the Directors of CSG Finance Guernsey is Helvetia Court, Les Echelons, South Esplanade, St. Peter Port, Guernsey GY1 3WF. There are no conflicts of interest between the private interests or other duties of the Directors listed above and their duties to CSG Finance Guernsey.

In the event that CSG Finance Guernsey issues any debt securities under the Programme, Credit Suisse Group AG will guarantee such debt securities on a full and unconditional basis.

### Dividends

To the extent that a dividend may be declared or a distribution may be made, it will be subject to a solvency test and be paid in compliance with Guernsey law. The dividend paid by CSG Finance Guernsey to CSG for 2012 was U.S.\$50,000,000 and for 2013 was U.S.\$0. Prior to the dividend paid for 2012, CSG Finance Guernsey had not paid any dividends nor made any distributions (as those terms are defined under Guernsey law) since its incorporation.

### Auditors

CSG Finance Guernsey's independent auditors are KPMG Audit Plc, Chartered Accountants, Registered Auditor, 15 Canada Square, London E14 5GL, United Kingdom. CSG Finance Guernsey's accounts as of and for the two years ended 31st December 2013 and 2012 were audited by KPMG Audit Plc.

### Business Purpose

CSG Finance Guernsey's objects are set out in paragraph 3 of its Memorandum of Incorporation and include carrying on its business as a general commercial company.

### General

CSG Finance Guernsey does not have an audit committee. As a subsidiary of CSG, it complies with the overall CSG corporate governance regime.

**SELECTED FINANCIAL INFORMATION RELATING TO  
CREDIT SUISSE GROUP FINANCE (GUERNSEY) LIMITED**

The following tables set out, in summary form, the income statements, balance sheets and cash flow statements relating to Credit Suisse Group Finance (Guernsey) Limited. These tables were derived from the audited financial statements of Credit Suisse Group Finance (Guernsey) Limited contained in the Credit Suisse Group Finance (Guernsey) Limited Annual Report 2013, incorporated by reference herein and should be read in conjunction with the full financial statements and the notes set out in the Credit Suisse Group Finance (Guernsey) Limited Annual Report 2013.

The financial statements as included in the Credit Suisse Group Finance (Guernsey) Limited Annual Report 2013 were prepared in accordance with International Financial Reporting Standards and approved by the Board of Directors of Credit Suisse Group Finance (Guernsey) Limited on 11th April 2014.

**CREDIT SUISSE GROUP FINANCE (GUERNSEY) LIMITED  
Condensed income statements  
for the year ended 31st December 2013 and 2012**

	<b>2013</b>	<b>2012</b>
	<b>U.S.\$'000</b>	<b>U.S.\$'000</b>
Net interest income .....	1,546	943
Total non-interest revenues .....	287	402
<b>Net operating income</b> .....	1,833	1,345
<b>Operating expenses</b> .....	(1,793)	(2,840)
Income/(loss) before tax .....	40	(1,495)
Income tax expenses .....	–	–
<b>Net income/(loss)</b> .....	40	(1,495)

All losses and profits for 2013 and 2012 are from continuing operations.

**CREDIT SUISSE GROUP FINANCE (GUERNSEY) LIMITED  
Condensed balance sheets  
as at 31st December 2013 and 2012**

	<b>2013</b>	<b>2012</b>
	<b>U.S.\$'000</b>	<b>U.S. \$'000</b>
<b>Assets</b>		
Non current assets .....	1,308,200	2,338,874
Current assets .....	766,401	1,812,178
<b>Total assets</b> .....	2,074,601	4,151,052
<b>Liabilities</b>		
Non current liabilities .....	1,447,594	2,454,377
Current liabilities .....	624,579	1,711,327
<b>Total liabilities</b> .....	2,072,173	4,165,704
<b>Shareholders' equity</b> .....	2,428	(14,652)
<b>Total liabilities and shareholders' equity</b> .....	2,074,601	4,151,052

**CREDIT SUISSE GROUP FINANCE (GUERNSEY) LIMITED**  
**Condensed cash flow statements**  
**for the year ended 31st December 2013 and 2012**

	<b>2013</b>	<b>2012</b>
	<b>U.S.\$'000</b>	<b>U.S.\$'000</b>
<b>Cash flows from operating activities of operations</b>		
Profit / (loss) before tax .....	40	(1,495)
Total net adjustments to reconcile profit before tax to net cash flows generated / (used in) operating activities .....	1,248	(5,399)
<b>Net cash flows generated / (used in) from operating activities .....</b>	<b>1,288</b>	<b>(6,894)</b>
<b>Financing activities .....</b>		
Increase / (decrease) in demand deposits .....	–	(4,182)
Interim dividend paid .....	–	(50,000)
<b>Net cash flows from /(used in) financing activities .....</b>	<b>–</b>	<b>(54,182)</b>
Net increase / (decrease) in cash and cash equivalents .....	1,288	(61,076)
Cash and due from banks at the beginning of the year .....	4,248	65,051
Effect of exchange rate changes on cash and cash equivalents .....	(70)	273
<b>Cash and cash equivalents at the end of the year .....</b>	<b>5,466</b>	<b>4,248</b>

## CREDIT SUISSE GROUP AG AND CREDIT SUISSE AG

### History and Structure

The history of CSG dates back to the formation of Schweizerische Kreditanstalt, founded in 1856. The first branch opened in Basel in 1905 and the first branch outside of Switzerland opened in New York in 1940. In 1978, a cooperation with First Boston, Inc. began and, in 1990, CSG acquired a controlling stake. CSG purchased a controlling stake in Bank Leu in 1990, Schweizerische Volksbank in 1993, Neue Aargauer Bank in 1994 and Winterthur in 1997. In addition, CSG acquired Donaldson, Lufkin & Jenrette Inc. in 2000. In 2006, CSG sold Winterthur, allowing it to focus on its banking operations.

On 13th May 2005, the two Swiss bank legal entities Credit Suisse and Credit Suisse First Boston merged. The merged bank, CS, is a Swiss bank and joint stock corporation established under Swiss law and is a wholly-owned subsidiary of CSG. The structure of CSG and CS is described below under “*Business*.”

### Business

CSG is a global financial services company domiciled in Switzerland. CS is a wholly-owned subsidiary of CSG, and its business is substantially the same as that of CSG.

All references to CSG in the description of the business set out below are describing the consolidated businesses carried on by CSG and its subsidiaries and therefore should be read as applying equally to CSG and CS, except where specifically stated otherwise. For more information on the differences between CSG and CS, refer to “*II—Operating and Financial review—Credit Suisse—Differences between Group and Bank*” in the Credit Suisse Annual Report 2013.

### Private Banking & Wealth Management

Private Banking & Wealth Management offers comprehensive advice and a wide range of financial solutions to private, corporate and institutional clients. The Private Banking & Wealth Management division comprises the Wealth Management Clients, Corporate & Institutional Clients and Asset Management businesses.

In Wealth Management Clients, CSG serves ultra-high-net-worth and high-net-worth individuals around the globe in addition to affluent and retail clients in Switzerland. CSG's Corporate & Institutional Clients business serves the needs of corporations and institutional clients, mainly in Switzerland. Asset Management offers a wide range of investment products and solutions across diverse asset classes and investment styles, serving governments, institutions, corporations and individuals worldwide.

### Investment Banking

Investment Banking provides a broad range of financial products and services, including global securities sales, trading and execution, prime brokerage and capital raising services, corporate advisory and comprehensive investment research, with a focus on businesses that are client-driven, flow-based and capital-efficient. Clients include corporations, governments, institutional investors, including pension funds and hedge funds, and private individuals around the world. Credit Suisse delivers its investment banking capabilities via regional and local teams based in major global financial centres. Strongly anchored in CSG's integrated model, Investment Banking works closely with Private Banking & Wealth Management to provide clients with customized financial solutions.

## Management of CSG and CS

### *Board of Directors of CSG and CS*

The composition of the Board of Directors of CSG and the Board of Directors CS is identical, except for Severin Schwan and Sebastian Thrun, who are only members of the Board of Directors of CSG. References herein to the "Board" are to both the Board of Directors of CSG and the Board of Directors of CS, except as otherwise specified.

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
Urs Rohner	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Full-time Chairman of the Board and of the Chairman's and Governance Committee since 2011. From 2009 until 2011, he was full-time Vice-Chairman of the Board and a member of the Chairman's and Governance Committee and the Risk Committee. Member of the Executive Boards of CSG from 2004 to 2009 and CS from 2005 to 2009, General Counsel of CSG from 2004 to 2009, Chief Operating Officer from 2006 to 2009 and General Counsel of CS from 2005 to 2009. Expiration of Term of Office/Re-election for Boards of CSG and CS: Annual General Meeting (AGM) 2015. The Board has determined him to be independent under the Group's independence standards.</p> <p>Urs Rohner is the chairman and a member of the board of trustees of the Credit Suisse Research Institute and the Credit Foundation. He serves as a board member or advisory board member for a number of international organisations, including the Institute of International Finance and the Institut International d'Etudes Bancaires, the European Financial Services Round Table, the European Banking Group and the international advisory board of the Moscow International Financial Center and serves on the International Business Leaders Advisory Council of the Mayor of Beijing. Since 2013, Mr. Rohner has also been a member of the Expert Committee of the Swiss Federal Council regarding the further development of the financial market strategy. He is also a member of the board of trustees of Avenir Suisse and the Alfred Escher Foundation, a board member of Economiesuisse and the International Institute for Management Development Foundation, and the chairman of the advisory board of the University of Zurich's Department of Economics, and he serves as a member of the board of trustees of Lucerne Festival.</p>
Jassim Bin Hamad J.J. Al Thani	Credit Suisse Group AG, Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board since 2010. Expiration of Term of Office/Re-election for Board of CSG: AGM 2015. Expiration of Term of Office/Re-election for Board of CS: AGM 2016. The Board has determined him to be not independent under the Group's independence</p>

Name	Business address	Position held
Iris Bohnet	Harvard Kennedy School Harvard University Cambridge, Massachusetts USA	<p>standards.</p> <p>Chairman of the board of directors of Qatar Islamic Bank (QIB) since April 2005. He is also chairman of: QInvest, Qatar; Damaan Islamic Insurance Co (BEEMA); and of Q-RE LLC, an insurance and reinsurance company. CEO of Al Mirqab Capital LLC, Qatar, a family enterprise, member of the board of directors of Qatar Navigation Company and Qatar Insurance Company.</p> <p>Member of the Board since the AGM 2012 and thereafter appointed to the Compensation Committee. Expiration of Term of Office/Re-election for Boards of CSG and CS: AGM 2015.</p> <p>Professor of public policy at the Harvard Kennedy School, Massachusetts, since 2006, Academic Dean of the Harvard Kennedy School since 2011 and director of the Women and Public Policy Program at the Harvard Kennedy School.</p> <p>Ms. Bohnet is currently a member of the board of the University of Lucerne, a member of the advisory board of the Vienna University of Economics and Business Administration and a member of the Global Agenda Council on Women's Empowerment of the World Economic Forum. Ms. Bohnet is also a member of the advisory board of the Decision Making and Negotiations Journal.</p>
Noreen Doyle	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board since 2004 and Vice-Chair of the Board and Lead Independent Director and a member of the Chairman's and Governance Committee and Audit Committee since the AGM in 2014. She previously served on the Risk Committee (2004 to 2007 and 2009 to 2014) and the Audit Committee (2007 to 2009). Since 2012, Ms. Doyle has also served as a non-executive director of and as of 2013 chairs, the boards of Credit Suisse International and Credit Suisse Securities Europe Limited, two of the Group's UK subsidiaries. She also chaired the Audit Committee of these two entities (2011 to 2012). Expiration of Term of Office/Re-election for Boards of CSG and CS: AGM 2015.</p> <p>First vice president and head of banking of the European Bank for Reconstruction and Development (EBRD) from 2001 to 2005. Other board memberships include Newmont Mining Corporation and QinetiQ Group plc.</p>

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
		<p>Further, she is a member of the advisory panel of the Macquarie European Infrastructure Fund and the Macquarie Renaissance Infrastructure Fund and a member of the advisory board of Sapphire Partners, a UK based executive search firm. Ms. Doyle also chairs the board of governors of the Marymount International School, London and is a patron of the Women in Banking and Finance in London.</p>
Jean-Daniel Gerber	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board since the AGM 2012 and thereafter appointed to the Audit Committee. Expiration of Term of Office/Re-election for Boards of CSG and CS: AGM 2015.</p> <p>Jean-Daniel Gerber was state secretary and Head of the Swiss state secretariat for Economic Affairs between 2004 and 2011. From 1997 until 2004 he served as director of the Swiss Federal Office of Migration and from 1993 to 1997, he served as executive director at the World Bank Group in Washington D.C.</p> <p>He is a member of the board of directors and the audit committee of the Lonza Group AG and since 2013 he has chaired the nomination and compensation committee. Mr. Gerber is chairman of the board and of the investment committee of the Swiss Investment Fund for Emerging Markets (SIFEM) and also president of the Swiss Society for Public Good and a member of the JTI Foundation.</p>
Andreas N. Koopmann	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board and the Risk Committee (since 2009). Since the AGM 2013 he is also a member of the Compensation Committee. Expiration of Term of Office/Re-election for Boards of CSG and CS: AGM 2015.</p> <p>Former CEO of Bobst Group S.A., Lausanne from 1995 to May 2009 and member of the board from 1998 to 2002. Mr. Koopmann is chairman of the board of directors of Georg Fischer AG. Since 2003, Mr. Koopmann has been a member of the board of directors of Nestlé SA, its vice-chairman and a member of its chairman's and corporate governance committee. He is also a member of the board of directors of the CSD Group, an engineering consultancy enterprise in Switzerland, a member of the advisory board of Sonceboz SA, a producer of electric motors, and a member of the advisory board of Spencer Stuart, Switzerland, an executive search firm. Since 2013, Mr. Koopmann has been a member of the board of directors of Economiesuisse.</p>
Jean Lanier	Credit Suisse Group AG	Member of the Board and the Audit

Name	Business address	Position held
	Paradeplatz 8 8001 Zurich Switzerland	<p>Committee since 2005 and a member of the Compensation Committee since 2011. Mr. Lanier has served as the chairman of the Compensation Committee and as a member of the Chairman's and Governance Committee since the AGM 2013. Expiration of Term of Office/Re-election for Boards of CSG of CS: AGM 2015.</p> <p>Former chairman of the managing board and group Chief Executive Officer of Euler Hermes, Paris, from 1998 to 2004. He is chairman of the boards of directors for Swiss RE Europe SA, Swiss RE International SE and Swiss RE Europe Holdings SA and also serves on their respective audit and risk committees. He chairs the board of the foundation "La Fondation Internationale de l'Arche" and is a member of the board of friends of l'Arche Long Island. Mr. Lanier holds the title of Chevalier de la Légion d'Honneur in France.</p>
Kai S. Nargolwala	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>Member of the Board and the Risk Committee since the AGM 2013. Since the AGM 2014 he is also a member of the Compensation Committee. Expiration of Term of Office / Re-election for Board of CSG: AGM 2015. Expiration of Term of Office/Re-election for Board of CS: AGM 2016. Mr. Nargolwala was determined to be not independent at the time of his election at the AGM in 2013 due to his former role on the Executive Board, but was considered independent as of the end of October 2013 after the lapse of the compulsory three-year cooling-off period.</p> <p>Mr. Kai S. Nargolwala is a member since 2006 of the board of directors (Lead Independent Director since 2009) of Singapore Telecommunications Ltd.; and since 2012, a member of the board of directors of Prudential plc, a global financial services company headquartered in the UK; and a member of the board of directors of PSA International Pte. Ltd. in Singapore. He is chairman of the Clifford Capital Pte. Ltd. since 2012, a company supported by the government of Singapore that provides financing of foreign projects for companies in Singapore and chairman of the governing board of the Duke-NUS Graduate Medical School of Singapore. Mr. Nargolwala is a member of the board of directors of the Casino Regulatory Authority in Singapore and, since February 2014, a member of the Singapore Capital Markets Committee of the Monetary Authority of Singapore. From 2008 to 2010, Mr. Nargolwala was a member of the Credit Suisse Executive Board and CEO of the Asia-Pacific region; from 2010 to 2011,</p>

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
Anton van Rossum	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	<p>he was the Non-Executive Chairman of Credit Suisse's Asia-Pacific region.</p> <p>Member of the Board since 2005. Member of the Risk Committee since 2008. From 2005 to 2008, he served on the Compensation Committee. Expiration of Term of Office/ Re-election for Boards of CSG and CS: AGM 2015.</p> <p>Chief Executive Officer of Fortis from 2000 to 2004. Mr. van Rossum is a member of the supervisory board and audit committee of Munich Re AG and chairs the supervisory board of Royal Vopak NV, Rotterdam. In addition, he is a member of the board of directors of Solvay SA, Brussels and also chairs the board of trustees of the Netherlands Economics Institute and is a member of the advisory board of the Solvay Business School, Brussels. Mr. van Rossum was chairman of the supervisory board of Erasmus University, Rotterdam from 2005 to 2013.</p>
Richard E. Thornburgh	Corsair Capital LLC 717 Fifth Avenue New York, NY 10022, USA	<p>Member of the Board since 2006 and Vice-Chair since the AGM in 2014. He has served as a member of the Risk Committee since 2006 and chairman of the Risk Committee and a member of the Chairman's and Governance Committee since 2009. Since 2011, Mr. Thornburgh also serves as a member of Audit Committee and, as of 2013, as a non-executive director of Credit Suisse International and Credit Suisse Securities Europe Limited, two of the Group's UK subsidiaries. Expiration of Term of Office/Re-election for Boards of CSG and CS: AGM 2015.</p> <p>Mr. Thornburgh has been vice-chairman of Corsair Capital, New York, a private equity investment company since 2006.</p> <p>Member of the Executive Board of Credit Suisse First Boston (from 1995 to 2005). In 2004, he was appointed Executive Vice Chairman of Credit Suisse First Boston.</p> <p>Member of the Group Executive Board from 1997 to 2005. Chief Risk Officer of Credit Suisse Group AG from 2003 to July 2004.</p> <p>Other board memberships include Reynolds American Inc (and member of the audit committee and strategic committee) and McGraw-Hill Financial, Inc. (and member of the audit committee and financial policy committee), both since 2011. Member of the board and lead director and chair of the risk committee of New Star Financial Inc., Massachusetts. Furthermore, he serves on the</p>

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
		Executive committee of the University of Cincinnati Foundation and the investment committee of the University of Cincinnati.
John Tiner	Resolutions Operations LLP 23 Savile Row London W1S 2ET United Kingdom	Member of the Board and the Audit Committee since the AGM 2009. He has chaired the Audit Committee and has also been a member of the Chairman's and Governance and Risk Committees since the AGM in 2011. Expiration of Term of Office/ Re-election for Boards of CSG and CS: AGM 2015.  Former CEO of Resolution Operations LLP from 2008 to 2013. Former CEO of the UK Financial Services Authority (FSA) from 2003 to 2007. Since 2013, member of the board of Resolution Ltd. and since 2009 he has served as non-executive member of the board of directors of Friends Life Group Plc, UK. He is also a member of the advisory board of Corsair Capital, a private equity investment company. Since 2008, Mr. Tiner has served as a member of the board of trustees of The Urology Foundation.
Honorary Chairman of the Board of CSG Rainer E. Gut	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Honorary Chairman of the Board of Credit Suisse Group AG since 2000. Chairman of the Board of Credit Suisse Group AG from 1986 to 2000.

#### **Members of the Board of Directors of CSG only**

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
Severin Schwan	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Member of the Board of CSG since the AGM 2014 and thereafter appointed to the Risk Committee. Expiration of Term of Office/Re-election: AGM 2015.  CEO since 2008 and a member of the board of directors since 2013 of the Roche Group. Previously he was CEO of the Diagnostics division at Roche from 2006 to 2008. Member of the European Round Table for Industrialists.
Sebastian Thrun	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Member of the Board of CSG since the AGM 2014 and thereafter appointed to the Risk Committee. Expiration of Term of Office/Re-election: AGM 2015.  CEO of Udacity, an online university, which he co-founded in 2012. At Google he was the founder of Google X, which under his leadership developed the self-driving car and "Google Glass". He has worked as a research professor in the area of artificial intelligence and robotics at Stanford University since 2003.

The Board consists solely of Directors who have no executive functions within the Group. As of the date of this Base Prospectus, all but one member of the Board were independent.

### ***Executive Board of CSG and CS***

The Executive Board is responsible for the day-to-day operational management of the Group. It develops and implements the strategic business plans for the Group overall as well as for the principal businesses subject to approval by the Board of Directors. It further reviews and coordinates significant initiatives, projects and business developments in the divisions and regions or in the Shared Services functions and establishes Group-wide policies. The composition of the Executive Boards of CSG and CS are identical. References herein to the "Executive Board" are to both the Executive Board of CSG and the Executive Board of CS, except as otherwise specified.

As of the date of this Base Prospectus, the members of the Executive Board were:

- Brady W. Dougan (Chief Executive Officer)
- Gaël de Boissard
- Romeo Cerutti
- David R. Mathers
- Hans-Ulrich Meister
- Joachim Oechslein
- Robert S. Shafir
- Pamela A. Thomas-Graham
- Eric M. Varvel

Information concerning each of the members of the Executive Board is set out below:

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
Brady W. Dougan	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chief Executive Officer of CSG and CS since 2007. Prior to this he was Chief Executive Officer Investment Banking at CS and Chief Executive Officer Credit Suisse Americas region.  Chief Executive Officer of Credit Suisse First Boston from 2004 to 2005. Co-president, institutional securities of Credit Suisse First Boston from 2002 to July 2004.  Member of the board of directors of Humacyte Inc, a biotechnology company, since 2005. He has also been a member of the board of trustees of the University of Chicago since January 2013.  Member of the Executive Board since 2003.
Gaël de Boissard	Credit Suisse AG One Cabot Square London E14 4QJ United Kingdom	G. de Boissard jointly leads the Investment Banking division together with E. Varvel with responsibility for the Fixed Income business. He is also Chief Executive Officer of the EMEA region. Prior to his appointment to the Executive Board, Mr. de Boissard spent four years as the Co-Head of Global Securities.  From 2009 to 2013, Mr. de Boissard chaired the Association of Financial Markets in Europe, an industry organization that engages

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
		with policymakers on financial regulation.
		Member of the Executive Board since 2013.
Romeo Cerutti	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	General Counsel and a member of the Executive Board of CSG and CS since April 2009. General Counsel of the Private Banking division from 2006 to 2009. Global Co-Head Compliance Credit Suisse from 2008 to 2009.
		Mr. Ceruti has represented Credit Suisse on the board of the Swiss Bankers Association since December 2012.
David R. Mathers	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chief Financial Officer since October 2010 and also responsible for the Group's global IT and operations function. Prior to this he was Head of Finance and COO for Investment Banking in New York and London from 2007 to 2010.
		Member of the Executive Board since October 2010.
		Member of the Council of the British Swiss Chamber of Commerce since 2011.
Hans-Ulrich Meister	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	H.-U. Meister jointly leads the Private Banking & Wealth Management division together with R. Shafir, with responsibility for the Private Banking business. He is also CEO of the region Switzerland. Prior to this he was CEO of Private Banking (2011-2012) and from 2008 onwards the CEO of the Swiss region.
		Member of the Executive Board since September 2008.
		Member of the foundation board of the Swiss Finance Institute since 2008 and member of the board of directors of the Zurich Chamber of Commerce since 2010.
Joachim Oechslin	Credit Suisse Group AG Paradeplatz 8 8001 Zurich Switzerland	Chief Risk Officer since January 2014. Prior to this he was chief risk officer of Munich Re Group in Munich.
		Member of the Executive Board since January 2014.
		Member of the International Financial Risk Institute.
Robert S. Shafir	Credit Suisse AG 11 Madison Avenue New York NY 10010 United States	Robert Shafir jointly leads the Private Banking & Wealth Management division together with Hans-Ulrich Meister, with responsibility for Private Banking & Wealth Management Products. He is also Chief Executive Officer of the Americas region. Prior to this he was Chief Executive Officer Asset Management from 2008 to 2012.

<b>Name</b>	<b>Business address</b>	<b>Position held</b>
		Member of the Executive Board since 2007.
		Member of the board of directors of the Cystic Fibrosis Foundation.
Pamela A. Thomas-Graham	Credit Suisse AG 11 Madison Avenue New York NY 10010 United States	Chief Marketing and Talent Officer and Head of Private Banking & Wealth Management New Markets.
		Member of the Executive Board since January 2010.
		Member of the board of directors of the Clorox Company and a member of the board of governors of the Parsons School of Design.
Eric M. Varvel	Credit Suisse AG 11 Madison Avenue New York NY 10010 United States	Eric Varvel jointly leads the Investment Banking division together with Gaël de Boissard, with responsibility for the Equities & Investment Banking business. He is also the Chief Executive Officer of the Asia Pacific region. Prior to this he was CEO of Investment Banking (2010-2012) and served as acting CEO from September 2009 until July 2010. From 2008 to 2010, Mr. Varvel was CEO Credit Suisse Europe, Middle East and Africa Region.
		He is a member of the board of directors of the Qatar Exchange.
		Member of the Executive Board since February 2008.

There are no conflicts of interest between the private interests or other duties of the Directors and members of the Executive Board listed above and their respective duties to CSG or CS.

#### **Audit Committee of CSG and CS**

The Audit Committee of CSG and CS consists of not less than three members, all of whom must be independent pursuant to its charter. The current members are:

- John Tiner (Chairman)
- Jean Lanier
- Richard E. Thornburgh
- Jean-Daniel Gerber

The Audit Committee has its own charter, which has been approved by the Board. In accordance with its charter, the members of the Audit Committee are subject to additional independence requirements, exceeding those that apply to other members of the Board. None of the Audit Committee members may be an affiliated person of the Group or may, directly or indirectly, accept any consulting, advisory or other compensatory fees from the Group other than their regular compensation as members of the Board and its committees. The Audit Committee charter stipulates that all Audit Committee members must be financially literate. In addition, they may not serve on the audit committee of more than two other companies, unless the Board deems that such membership would not impair their ability to serve on the CS or CSG Audit Committee.

#### **Corporate Governance**

CSG and CS fully adhere to the principles set out in the Swiss Code of Best Practice, including its appendix stipulating recommendations on the process for setting compensation for the Board of Directors and the Executive Board. CSG and CS also continuously monitor and adapt their practices to reflect developments in corporate governance principles and practices in jurisdictions outside Switzerland. As in the past few years, regulators focused their attention on compensation practices at financial institutions in 2013.

For further information, refer to “IV- Corporate Governance – Compensation” in the Credit Suisse Annual Report 2013.

At the AGM on 9th May 2014, the shareholders of CSG approved amendments to CSG's Articles of Association to implement the provisions of the Swiss Federal Council's Ordinance against Excessive Compensation with respect to Listed Stock Corporations, which amendments will take effect upon registration with the commercial register. See also "IV – Corporate Governance – Corporate Governance Developments in 2013" and "I – Information on the Company – Regulation and Supervision" in the Credit Suisse Annual Report 2013 for information on the Ordinance Against Excessive Compensation with respect to Listed Stock Corporations, which came into effect on 1st January 2014.

In connection with CSG's primary listing on the SIX Swiss Exchange (**SIX**), it is subject to the SIX Directive on Information Relating to Corporate Governance. CSG's shares are also listed on the New York Stock Exchange (**NYSE**) in the form of American Depositary Shares (**ADS**) and certain of CSG's exchange traded notes are listed on the Nasdaq Stock Market (**Nasdaq**). As a result CSG is subject to certain U.S. rules and regulations. The Group adheres to the NYSE's and the Nasdaq's corporate governance listing standards, with a few exceptions where the rules are not applicable to foreign private issuers.

#### **Incorporation, Legislation, Legal Form, Duration, Name, Registered Office, Headquarters**

CSG was incorporated under Swiss law as a corporation (*Aktiengesellschaft*) with unlimited duration under the name “CS Holding” on 3rd March 1982 in Zurich, Switzerland, and was registered with the Commercial Registrar of the Canton of Zurich under the number CH-020.3.906.075-9 and is now registered under the number CHE-105.884.494. As of 6th May 2008, CSG changed its name to “Credit Suisse Group AG”. Its registered and principal executive office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland; its telephone number is +41 44 212 1616.

CS was incorporated under Swiss law as a corporation (*Aktiengesellschaft*) under the name Schweizerische Kreditanstalt, with unlimited duration, on 5th July 1856 in Zurich, Switzerland and was registered with the Commercial Registrar of the Canton of Zurich under the number CH-020.3.923.549-1 and is now registered under the number CHE-106.831.974. As of 9th November 2009, CS changed its name to “Credit Suisse AG”. CS is a wholly-owned subsidiary of CSG. CS's registered head office is located at Paradeplatz 8, CH-8001, Zurich, Switzerland; its telephone number is +41 44 333 1111.

In November 2013, CSG announced key components of its programme to evolve its legal entity structure. The programme addresses developing and future regulatory requirements. Subject to final analysis and approval by the Swiss Financial Market Supervisory Authority FINMA, implementation of the programme is underway, with a number of key components expected to be implemented from mid-2015. For further information, refer to “II – Operating and financial review – Credit Suisse – Information and developments – Evolution of legal entity structure” in the Credit Suisse Annual Report 2013.

#### **Business Purpose**

Article 2 of CSG's Articles of Association dated as of 5th February 2014 states:

- “1) The purpose of the Company is to hold direct or indirect interests in all types of businesses in Switzerland and abroad, in particular in the areas of banking, finance, asset management and insurance. The Company has the power to establish new businesses, acquire a majority or minority interest in existing businesses and provide related financing.
- 2) The Company has the power to acquire, mortgage and sell real estate properties, both in Switzerland and abroad.”

Article 2 of CS's Articles of Association dated as of 21st March 2014 states:

- “2.1) The purpose of the Company is to operate as a bank. Its business covers all associated types of banking, finance, consultancy, service and trading activities in Switzerland and abroad.

2.2) The Company may form banks, finance companies and any other types of companies. It may also hold interests in and assume the management of such companies. It may also enter into joint ventures with such companies to provide business services to third parties.

2.3) The Company may acquire, mortgage and sell real estate in Switzerland and abroad.”

## Dividends

The following table outlines the dividends paid by CSG for the years ended 31st December:

Dividend per ordinary share	USD <sup>(1)</sup>	CHF
2013 <sup>(2)</sup> .....	0.79 <sup>(3)</sup>	0.70
2012 <sup>(4)</sup> .....	0.80	0.75
2011 <sup>(5)</sup> .....	0.78	0.75
2010 <sup>(6)</sup> .....	1.48	1.30
2009 .....	1.78	2.00

(1) Represents the distribution on each American Depositary Share, rounded to the nearest USD 0.01. For further information, refer to [www.credit-suisse.com/dividend](http://www.credit-suisse.com/dividend).

(2) Distribution out of reserves from capital contributions.

(3) The USD equivalent amount per American Depositary Share was determined by the USD/CHF exchange rate applied to the CHF cash distribution on 13th May 2014. The effective USD amount per American Depositary Share will be determined by the USD/CHF exchange rate closer to the payment date and may vary from the amount disclosed in this table.

(4) Distribution out of reserves from capital contributions. Distribution consisted of CHF 0.10 (USD 0.11) per share in cash and a stock dividend with a theoretical value of approximately CHF 0.65 (USD 0.69) per subscription right as approved at the AGM on 27th April 2013 for the financial year 2012.

(5) Distribution out of reserves from capital contributions. Subject to any legal restrictions applicable in their home jurisdiction, shareholders were entitled to receive new shares of Credit Suisse Group, a cash distribution or a combination thereof.

(6) Distribution out of reserves from capital contributions.

Dividends paid by CS to CSG for 2013, 2012, 2011, 2010 and 2009 were CHF 10 million, CHF 10 million, CHF 10 million, CHF 10 million and CHF 3,000 million, respectively.

On a per share basis, dividends paid by CS for the last five years are as follows:

Dividend per ordinary share	CHF <sup>(1)</sup>
2013 .....	0.00
2012 .....	0.23
2011 .....	0.23
2010 .....	0.23
2009 .....	68.19

(1) Dividends are rounded to the nearest CHF 0.01. Dividends are determined in accordance with Swiss law and CS's Articles of Incorporation. As of 31st December 2013, the number of registered shares issued by CS was 4,399,665,200 compared to 43,996,652 registered shares as of 31st December 2012, 2011, 2010 and 2009. The increase in the number of shares in 2013 reflects the split of the par value per share from CHF 100 to CHF 1 effective 19th November 2013.

For further information relating to dividends, refer to “III—Treasury, Risk, Balance sheet and Off-balance sheet—Capital management” in the Credit Suisse Annual Report 2013.

## Auditors

CSG's and CS's statutory auditor is KPMG AG (**KPMG**), Badenerstrasse 172, 8004 Zurich, Switzerland. CSG's and CS's consolidated financial statements as of 31st December 2013 and 2012, and for each of the years in the three-year period ended 31st December 2013 were audited by KPMG in accordance with Swiss law, Swiss Auditing Standards and the standards of the Public Company Accounting Oversight Board (United States). The auditors of CSG and CS have no interest in CSG or CS, respectively. KPMG assumed audit services for both CSG and CS for the business year 2009 following an internal restructuring of KPMG in Switzerland, pursuant to which KPMG Klynveld

Peat Marwick Goerdeler SA, Zurich (**KPMG Klynveld**) ceased to provide audit services to public companies. The audit mandate was first given to KPMG Klynveld for the business year 1989/1990.

The lead engagement partners are Anthony Anzevino, Global Lead Partner (since 2012) and Simon Ryder, Group Engagement Partner (since 2010).

In addition, CSG and CS have mandated BDO AG, Zurich, as special auditor for the purposes of issuing the legally required report for capital increases in accordance with Article 652f of the Swiss Code of Obligations. KPMG and BDO AG are both licensed by the Federal Audit Oversight Authority, which is responsible for the licensing and supervision of audit firms and individuals which provide audit services in Switzerland.

## Capital adequacy

The following table sets forth the details for CSG of BIS data (risk-weighted assets, capital and ratios):

31st December (CHF million, except where indicated)	Basel III 2013	Basel III 2012
Credit risk .....	175,631	201,764
Market risk .....	39,133	39,466
Operational risk .....	53,075	45,125
Non-counterparty risk .....	6,007	6,126
<b>Risk-weighted assets .....</b>	<b>273,846</b>	<b>292,481</b>
<b>Eligible capital</b>		
Total shareholders' equity .....	42,164	35,498
Mandatory and contingent convertible securities .....	– <sup>(1)</sup>	3,598 <sup>(1)</sup>
Regulatory adjustments .....	(1,069) <sup>(2)</sup>	(303) <sup>(2)</sup>
Adjustments subject to phase in <sup>(3)</sup> .....	1,894	2,707
<b>CET1 capital .....</b>	<b>42,989</b>	<b>41,500</b>
Additional tier 1 instruments .....	7,484 <sup>(4)</sup>	1,516
Additional tier 1 instruments subject to phase out <sup>(5)</sup> .....	3,652	10,416
Deductions from additional tier 1 capital <sup>(6)</sup> .....	(8,064)	(9,075)
<b>Additional tier 1 capital .....</b>	<b>3,072</b>	<b>2,857</b>
<b>Total tier 1 capital .....</b>	<b>46,061</b>	<b>44,357</b>
Tier 2 instruments .....	6,263 <sup>(4)</sup>	2,568
Tier 2 instruments subject to phase out .....	4,321	5,016
Deductions from tier 2 capital .....	(357)	(422)
<b>Tier 2 capital .....</b>	<b>10,227</b>	<b>7,162</b>
<b>Total eligible capital .....</b>	<b>56,288</b>	<b>51,519</b>
CET1 ratio (%) .....	15.7	14.2
Tier 1 ratio (%) .....	16.8	15.2
Total capital ratio (%) .....	20.6	17.6

(1) Converted and settled into 233.5 million shares on 8th April 2013 and reflected in total shareholders' equity as of that date.

(2) Includes regulatory adjustments not subject to phase in, including a cumulative dividend accrual.

(3) Includes an adjustment for the accounting treatment of pension plans pursuant to phase-in requirements and other regulatory adjustments. For the years 2014 – 2018, there will be a five-year (20 per cent. per annum) phase-in of goodwill and other intangible assets and other capital deductions (e.g., certain deferred tax assets and participations in financial institutions).

(4) Consists of high-trigger and low-trigger capital instruments. Of this amount, CHF 7.7 billion consists of capital instruments with a capital ratio write-down trigger of 7 per cent., CHF 2.3 billion consists of capital instruments with a capital ratio write-down trigger of 5.125 per cent. and CHF 3.7 billion consists of capital instruments with a capital ratio write-down trigger of 5 per cent.

(5) Includes tier 1 participation securities and hybrid capital instruments that are subject to phase out.

(6) Includes goodwill and other intangible assets of CHF 8.2 billion and other capital deductions, including gains/(losses) due to changes in own credit risks on fair valued financial liabilities, that will be deducted from CET1 once Basel III is fully implemented.

The following table sets forth the details for CS of BIS data (risk-weighted assets, capital and ratios):

<b>31st December (CHF million, except where indicated)</b>	<b>Basel III 2013</b>	<b>Basel III 2012</b>
Credit risk .....	166,324	191,649
Market risk .....	39,111	39,438
Operational risk .....	53,075	45,125
Non-counterparty risk .....	5,758	5,873
<b>Risk-weighted assets .....</b>	<b>264,268</b>	<b>282,085</b>
<b>Eligible capital</b>		
Total shareholders' equity .....	39,992	34,767
Mandatory and contingent convertible securities .....	—	—
Regulatory adjustments .....	(3,504) <sup>(1)</sup>	(3,879) <sup>(1)</sup>
Adjustments subject to phase in <sup>(2)</sup> .....	1,540	5,829
<b>CET1 capital .....</b>	<b>38,028</b>	<b>36,717</b>
Additional tier 1 instruments .....	6,644	1,545
Additional tier 1 instruments subject to phase out <sup>(3)</sup> .....	3,652	10,416
Deductions from additional tier 1 capital <sup>(4)</sup> .....	(7,219)	(8,201)
<b>Additional tier 1 capital .....</b>	<b>3,077</b>	<b>3,760</b>
<b>Total tier 1 capital .....</b>	<b>41,105</b>	<b>40,477</b>
Tier 2 instruments .....	6,263	2,572
Tier 2 instruments subject to phase out .....	5,016	6,634
Deductions from tier 2 capital .....	(318)	(377)
<b>Tier 2 capital .....</b>	<b>10,961</b>	<b>8,829</b>
<b>Total eligible capital .....</b>	<b>52,066</b>	<b>49,306</b>
CET1 ratio (%) .....	14.4	13.0
Tier 1 ratio (%) .....	15.6	14.3
<b>Total capital ratio (%) .....</b>	<b>19.7</b>	<b>17.5</b>

- (1) Includes regulatory adjustments not subject to phase in, including the cumulative dividend accrual, and an adjustment for tier 1 participation securities.
- (2) Includes an adjustment for the accounting treatment of pension plans pursuant to phase-in requirements and other regulatory adjustments. For the years 2014 – 2018, there will be a five-year (20 per cent. per annum) phase-in of goodwill and other intangible assets and other capital deductions (e.g., certain deferred tax assets and participations in financial institutions).
- (3) Includes tier 1 participation securities and hybrid capital instruments that are subject to phase out.
- (4) Includes goodwill and other intangible assets of CHF 8.2 billion and other capital deductions, including gains/(losses) due to changes in own credit risks on fair valued financial liabilities, that will be deducted from CET1 once Basel III is fully implemented..

## Share Capital

### Share Capital of CSG

As of 31st December 2013, CSG had fully paid and issued share capital of CHF 63,844,774 comprised of 1,596,119,349 registered shares with a par value of CHF 0.04 each. As of 31st December 2013, CSG had authorised share capital in the amount of CHF 4,497,909 authorising the Board of Directors of CSG to issue at any time until 26th April 2015 up to 112,447,713 registered shares, to be fully paid up, with a par value of CHF 0.04 each, of which 12,447,713 registered shares are reserved exclusively for issuance to shareholders in connection with a stock dividend. As of 31st December 2013, CSG had total conditional share capital in the amount of CHF 16,441,984, comprised of 411,049,598 registered shares with a par value of CHF 0.04 each. Conditional share capital consisted of, pursuant to Art. 26 of CSG's Articles of Association, conditional share capital in the amount of CHF 16,000,000 through the issue of a maximum of 400,000,000<sup>1</sup> registered shares with a par value of CHF 0.04 each reserved for the purpose of

<sup>1</sup> 400.0 million shares reserved for high-trigger capital instruments.

increasing share capital through the conversion of bonds or other financial market instruments of CSG, or any other member of the Group, that allow for contingent compulsory conversion into CSG's shares and that are issued in order to fulfil or maintain compliance with regulatory requirements of CSG and/or any of other member of the Group (contingent convertible bonds). In addition,, of the CHF 16,000,000 in conditional share capital available pursuant to Art. 26 of CSG's Articles of Association, up to CHF 4,000,000 was also available for share capital increases executed through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments of CSG or any other member of the Group (equity-related financial market instruments). Furthermore, CSG's conditional share capital included CHF 441,984 through the issue of a maximum of 11,049,598 shares with a par value of CHF 0.04 each reserved for employees. As of 31st December 2013, CSG had conversion capital in the amount of CHF 6,000,000 through the issue of a maximum of 150,000,000<sup>2</sup> registered shares, to be fully paid in, each with a par value of CHF 0.04, through the compulsory conversion upon occurrence of the trigger event of claims arising out of contingent convertible bonds of CSG or any other member of the Group, or other financial market instruments of CSG or any other member of the Group, that provide for a contingent or unconditional compulsory conversion into shares of CSG.

As of 10th May 2014, CSG had fully paid and issued share capital of CHF 64,286,758, comprised of 1,607,168,947 registered shares with a par value of CHF 0.04 each. As of 10th May 2014, CSG had authorised share capital in the amount of CHF 4,497,909 authorising the Board of Directors of CSG to issue at any time until 26th April 2015 up to 112,447,713 registered shares, to be fully paid up, with a par value of CHF 0.04 each, of which 12,447,713 registered shares are reserved exclusively for issuance to shareholders in connection with a stock dividend. As of 10th May 2014, CSG had total conditional share capital in the amount of CHF 16,000,000, comprised of 400,000,000 registered shares with a par value of CHF 0.04 each<sup>3</sup>. Conditional share capital consists of, pursuant to Art. 26 of the Articles of Association, conditional share capital in the amount of CHF 16,000,000 through the issue of a maximum of 400,000,000<sup>4</sup> registered shares with a par value of CHF 0.04 each reserved for the purpose of increasing share capital through the conversion of bonds or other financial market instruments of CSG, or any other member of the Group, that allow for contingent compulsory conversion into CSG's shares and that are issued in order to fulfil or maintain compliance with regulatory requirements of CSG and/or any other members of the Group (contingent convertible bonds). In addition, of the CHF 16,000,000 in conditional share capital available pursuant to Art. 26 of CSG's Articles of Association, up to CHF 4,000,000 was also available for share capital increases executed through the voluntary or compulsory exercise of conversion rights and/or warrants granted in connection with bonds or other financial market instruments of CSG or any other member of the Group (equity-related financial market instruments). In addition, as of 10th May 2014, CSG had conversion capital in the amount of CHF 6,000,000.00 through the issue of a maximum of 150,000,000<sup>5</sup> registered shares, to be fully paid in, each with a par value of CHF 0.04, through the compulsory conversion upon occurrence of the trigger event of claims arising out of contingent convertible bonds of CSG or any other member of the Group, or other financial market instruments of CSG or any other member of the Group, that provide for a contingent or unconditional compulsory conversion into shares of CSG.

As of 31st December 2013, CSG, together with its subsidiaries, held 5,183,154 of its own shares, representing 0.32 per cent. of its outstanding shares. As of 10th May 2014, CSG, together with its subsidiaries, held 12,772,746 of its own shares representing 0.8 per cent. of its outstanding shares.

#### *Share Capital of CS*

As of 31st December 2013, CS had fully paid and issued share capital of CHF 4,399,665,200 comprised of 4,399,665,200 registered shares with a par value of CHF 1.00 each. Each share is entitled to one vote. Additionally as per 31st December 2013 CS had unlimited conversion capital through the issue of registered shares, to be fully paid in, each with a par value of CHF 1 through the compulsory conversion upon occurrence of the trigger event of claims arising out of contingent convertible bonds of CS. Further as of 31st December 2013 CS had reserve capital in the amount of CHF 4,399,665,200 authorizing the Board of Directors of CS at any time without temporal limitation, to issue up to 4,399,665,200 registered shares, to be fully paid up, with a par value of CHF 1 each. In addition CS had participation capital in the amount of CHF 15,000, divided into 1,500,000 participation securities with a nominal value of CHF 0.01. The participation securities have been subscribed by CSG and have been sold to Claudius Limited.

The participation capital in the amount of CHF 15,000 has been converted into 7,500 registered shares of CS with effective date 16th January 2014 and 24th March 2014 respectively.

<sup>2</sup> 98.9 million shares reserved for high-trigger capital instruments.

<sup>3</sup> At the AGM on 9th May 2014, the shareholders of CSG approved the increase of the conditional share capital reserved for employees by CHF 1,200,000. This increase will take effect upon registration with the commercial register, at which time CSG's total conditional share capital is expected to be CHF 17,200,000, comprised of 430,000,000 registered shares with a par value of CHF 0.04 each, CHF 1,200,000 of which (the equivalent of 30,000,000 registered shares) will be reserved for employees.

<sup>4</sup> 400.0 million shares reserved for high-trigger capital instruments.

<sup>5</sup> 98.9 million shares reserved for high-trigger capital instruments.

As of 10th May 2014, CS had fully paid and issued share capital of CHF 4,399,680,200 comprised of 4,399,680,200 registered shares with a par value of CHF 1.00 each. Each share is entitled to one vote. Additionally as of 10th May 2014 CS had unlimited conversion capital through the issue of registered shares, to be fully paid in, each with a par value of CHF 1 through the compulsory conversion upon occurrence of the trigger event of claims arising out of contingent convertible bonds of CS. Further as of 10th May 2014 CS had reserve capital in the amount of CHF 4,399,665,200 authorizing the Board of Directors of CS at any time without temporal limitation, to issue up to 4,399,665,200 registered shares, to be fully paid up, with a par value of CHF 1 each.

## **Legal Proceedings**

The Group is involved in a number of judicial, regulatory and arbitration proceedings concerning matters arising in connection with the conduct of their businesses including those disclosed below. Some of these proceedings have been brought on behalf of various classes of claimants and seek damages of material and/or indeterminate amounts.

After taking into account litigation provisions, CSG and CS believe, based on currently available information and advice of counsel, that the results of its legal proceedings, in the aggregate, will not have a material adverse effect on their financial condition. However, in light of the inherent uncertainties of such proceedings, including those brought by regulators or other governmental authorities, the ultimate cost to CSG and CS of resolving such proceedings may exceed current litigation provisions and any excess may be material to operating results for any particular period, depending, in part, upon the operating results for such period. For further information regarding CSG's litigation provisions as of the end of 2013, see note 38 "*Litigation*" of the notes to CSG's consolidated financial statements in the Credit Suisse Annual Report 2013. For further information regarding CSG's litigation provisions as of 31st March 2014, see note 29 "*Litigation*" of the notes to CSG's consolidated financial statements in the Credit Suisse Financial Report 1Q14.

### *Research-related litigation*

Putative class action lawsuits were filed against Credit Suisse Securities (USA) LLC (**CSS LLC**) in the wake of publicity surrounding the 2002 industry-wide governmental and regulatory investigations into research analyst practices, with *In re Credit Suisse – AOL Securities Litigation* filed in the US District Court for the District of Massachusetts, being the remaining outstanding matter. The case was brought on behalf of a class of purchasers of common shares of the former AOL Time Warner Inc. (**AOL**) who have alleged that CSS LLC's equity research coverage of AOL between January 2001 and July 2002 was false and misleading. The second amended complaint in this action asserted federal securities fraud and control person liability claims against CSS LLC and certain affiliates and former employees of CSS LLC. The plaintiffs estimated damages of approximately USD 3.9 billion. On 13th January 2012, the district court granted summary judgment in favour of the defendants upon its determination to preclude a plaintiff expert witness. The plaintiffs have appealed the summary judgment decision and oral argument on the appeal was held on 6th March 2013.

### *Enron-related litigation*

Two Enron-related actions remain pending against CSS LLC and certain of its affiliates, both in the U.S. District Court for the Southern District of Texas. In these actions, the plaintiffs assert they relied on Enron's financial statements, and seek to hold the defendants responsible for any inaccuracies in Enron's financial statements. In *Connecticut Resources Recovery Authority v. Lay, et al.*, the plaintiff seeks to recover from multiple defendants, pursuant to the Connecticut Unfair Trade Practices Act and Connecticut state common law, approximately USD 130 million to USD 180 million in losses it allegedly suffered in a business transaction it entered into with Enron. A motion to dismiss is pending. In *Silvercreek Management Inc. v. Citigroup, Inc., et al.*, the plaintiff seeks to assert federal and state law claims relating to its alleged USD 280 million in losses relating to its Enron investments. A motion to dismiss is pending.

### *NCFE-related litigation*

Lawsuits were filed against CSS LLC and certain of its affiliates with respect to services that they provided to National Century Financial Enterprises, Inc. and its affiliates (**NCFE**). In these lawsuits, which were consolidated as a multi-district litigation in the U.S. District Court for the Southern District of Ohio (**SDO**) for pre-trial purposes, investors holding approximately USD 1.9 billion face amount of NCFE's bonds and approximately USD 12 million in preferred stock sued numerous defendants, including the founders and directors of NCFE, the trustees for the bonds, NCFE's auditors and law firm, the rating agencies that rated NCFE's bonds and NCFE's placement agents, including CSS LLC. The lawsuits asserted claims for breach of contract, negligence, fraud and violation of federal and state securities laws and generally alleged that CSS LLC and/or its affiliates knew or should have known that the health care receivables purportedly backing the bonds were either ineligible for the programmes or non-existent. In April 2009,

CSS LLC settled with the New York City Pension Fund bond investor plaintiffs for an amount covered by existing provisions. On 26th October 2012, the SDO issued a decision which granted CSS LLC's summary judgment motion to dismiss all the claims brought by the investor in NCFE preferred stock; on 23rd October 2013, the U.S. Court of Appeals for the Sixth Circuit affirmed that decision. On 13th March 2013, CSS LLC and its affiliate entered into agreements to settle the bond investor lawsuits and resolve all remaining bond investor claims for an amount partially covered by existing provisions.

#### *Mortgage-related matters*

CSS LLC and certain of its affiliates have received requests for information from certain regulators and/or government entities regarding the origination, purchase, securitisation and servicing of subprime and non-subprime residential mortgages and related issues. CSS LLC and its affiliates are cooperating with such requests.

Following an investigation, on 20th November 2012, the New York Attorney General, on behalf of the State of New York, filed a civil action in the Supreme Court for the State of New York, New York County (**SCNY**) against CSS LLC and affiliated entities in their roles as issuer, sponsor, depositor and/or underwriter of RMBS transactions prior to 2008. The action, which references 64 RMBS issued, sponsored, deposited and underwritten by CSS LLC and its affiliates in 2006 and 2007, alleges that CSS LLC and its affiliates misled investors regarding the due diligence and quality control performed on the mortgage loans underlying the RMBS at issue, and seeks an unspecified amount of damages. On 18th December 2013, the New Jersey Attorney General, on behalf of the State of New Jersey, filed a civil action in the Superior Court of New Jersey, Chancery Division, Mercer County, against CSS LLC and affiliated entities in their roles as issuer, sponsor, depositor and/or underwriter of RMBS transactions prior to 2008. The action, which references 13 RMBS issued, sponsored, deposited and underwritten by CSS LLC and its affiliates in 2006 and 2007, alleges that CSS LLC and its affiliates misled investors and engaged in fraud or deceit in connection with the offer and sale of RMBS, and seeks an unspecified amount of damages. Both actions are at early procedural points.

CSS LLC and/or certain of its affiliates have also been named as defendants in various civil litigation matters related to their roles as issuer, sponsor, depositor, underwriter and/or servicer of RMBS transactions. These cases include class action lawsuits and putative class action lawsuits, actions by individual investors in RMBS, actions by monoline insurance companies that guaranteed payments of principal and interest for certain RMBS and repurchase actions by RMBS trusts. Although the allegations vary by lawsuit, plaintiffs in the class and putative class actions and individual investor actions generally allege that the offering documents of securities issued by various RMBS securitisation trusts contained material misrepresentations and omissions, including statements regarding the underwriting standards pursuant to which the underlying mortgage loans were issued; monoline insurers allege that loans that collateralise RMBS they insured breached representations and warranties made with respect to the loans at the time of securitisation; and repurchase action the plaintiffs allege breached representations and warranties in respect of mortgage loans and failure to repurchase such mortgage loans as required under the applicable agreements.

The amounts disclosed below do not reflect actual realised plaintiff losses to date or anticipated future litigation exposure. Rather, unless otherwise stated, these amounts reflect the original unpaid principal balance amounts as alleged in these actions and do not include any reduction in principal amounts since issuance. Further, amounts attributable to an "operative pleading" for the individual investor actions are not altered for settlements, dismissals or other occurrences, if any, that may have caused the amounts to change subsequent to the operative pleading. In addition to the mortgage-related actions discussed below, a number of other entities have threatened to assert claims against CSS LLC and/or its affiliates in connection with various RMBS issuances, and CSS LLC and/or its affiliates have entered into agreements with some of those entities to toll the relevant statutes of limitations.

*Class action litigations:* In class actions and putative class actions against CSS LLC as an underwriter of other issuers' RMBS offerings, CSS LLC generally has or had contractual rights to indemnification from the issuers. However, some of these issuers are now defunct, including affiliates of IndyMac Bancorp (**IndyMac**) and Thornburg Mortgage (**Thornburg**). With respect to IndyMac, CSS LLC is named as a defendant in a class action, *In re IndyMac Mortgage-Backed Securities Litigation*, pending in the U.S. District Court for the Southern District of New York (**SDNY**), brought on behalf of purchasers of securities in various IndyMac RMBS offerings. On 17th May 2013, the parties in the suit agreed to a stipulation adding 36 additional offerings to the action, which is subject to court approval. Certain investors sought to intervene in the action to assert claims with respect to additional RMBS offerings. The SDNY denied in part the investors' motions to intervene, and the proposed intervenors appealed that ruling. On 27th June 2013, the US Court of Appeals for the Second Circuit affirmed the SDNY's ruling. Plaintiffs' motion for reconsideration of the court's 21st June 2010 decision on defendants' motion to dismiss was granted on 23rd July 2013. With the additional 36 offerings the claims against CSS LLC and numerous other underwriters and individual defendants relate to approximately USD 26 billion of IndyMac RMBS offerings. CSS LLC served as an underwriter with respect to approximately 34.2 per cent. of the IndyMac RMBS at issue or approximately USD 8.9 billion. In a second IndyMac-related class action, *Tsereteli v. Residential Asset Securitization Trust 2006- A8*, in which CSS LLC

was the sole underwriter defendant, the parties reached a settlement in the amount of USD 11 million, which was approved by the SDNY and the entire action was thereby resolved. A further class action lawsuit pending in the SDNY against CSS LLC and certain affiliates and employees, *New Jersey Carpenters Health Fund v. Home Equity Mortgage Trust 2006-5*, relates to two RMBS offerings, totalling approximately USD 1.6 billion, sponsored and underwritten by the Credit Suisse defendants. On 17th March 2014, the SDNY granted plaintiff's motion for class certification for the second of the two RMBS offerings, having previously certified the class for purchasers of the first offering. With respect to a putative class action in the US District Court for the District of New Mexico, *Genesee County Employees' Retirement System v. Thornburg*, in which CSS LLC was a named defendant, the parties reached a settlement in the amount of USD 11.5 million, which was approved by the court and the entire action was thereby resolved.

*Individual Investor Actions:* CSS LLC and, in some instances, its affiliates, as an RMBS issuer, underwriter and/or other participant, and in some instances its employees, along with other defendants, are defendants: two actions brought by Cambridge Place Investment Management Inc. in Massachusetts state court, in which claims against CSS LLC, following the court's motion to dismiss ruling dismissing certain claims, relate to less than USD 525 million of the RMBS at issue in an amount to be determined; one action brought by The Charles Schwab Corporation in California state court, in which claims against CSS LLC and its affiliates relate to USD 125 million of the RMBS at issue (approximately 9 per cent. of the USD 1.4 billion at issue against all defendants in the operative pleading); one action brought by the Federal Deposit Insurance Corporation (**FDIC**), as receiver for Citizens National Bank and Strategic Capital Bank in the SDNY, in which claims against CSS LLC and its affiliates relate to approximately USD 28 million of the RMBS at issue (approximately 20 per cent. of the USD 141 million at issue against all defendants in the operative pleading); three actions brought by the FDIC, as receiver for Colonial Bank; one action in the SDNY, in which claims against CSS LLC relate to approximately USD 92 million of the RMBS at issue (approximately 23 per cent. of the USD 394 million at issue against all defendants in the operative pleading), one action in the Circuit Court of Montgomery County, Alabama, in which claims against CSS LLC and its affiliates relate to approximately USD 153 million of the RMBS at issue (approximately 49 per cent. of the USD 311 million at issue against all defendants in the operative pleadings); and one action in the US District Court for the Central District of California, in which claims against CSS LLC relate to approximately USD 34 million of the RMBS at issue (approximately 12 per cent. of the USD 283 million at issue against all defendants in the operative pleading) one action brought by Commerzbank AG London Branch in the SCNY, in which claims against CSS LLC and its affiliates relate to approximately USD 148 million of the RMBS at issue (approximately 6 per cent. of the USD 2.3 billion at issue against all defendants in the operative pleading); six individual actions brought by the Federal Home Loan Banks of Seattle, San Francisco, Chicago, Indianapolis and Boston in various state and federal courts, in which claims against CSS LLC and its affiliates relate to approximately USD 249 million in the Seattle action, approximately USD 2.2 billion in the San Francisco actions (approximately 11 per cent. of the USD 19 billion at issue against all defendants in the operative pleadings), approximately USD 38 million in the Chicago action (approximately 1 per cent. of the USD 3.3 billion at issue against all defendants in the operative pleading), approximately USD 224 million in the Indianapolis action (approximately 9 per cent. of the USD 2.6 billion at issue against all defendants in the operative pleading), and USD 373 million in the Boston action (approximately 7 per cent. of the USD 5.7 billion at issue against all defendants in the operative pleading); one action brought by the Federal Housing Finance Agency (**FHFA**), as conservator for Fannie Mae and Freddie Mac, in the SDNY, in which claims against CSS LLC relate to approximately USD 230 billion of the RMBS at issue (approximately 26 per cent. of the USD 880 billion at issue against all defendants in the operative pleadings); one action brought by John Hancock Life Insurance Co. (U.S.A.) and affiliated entities in the US District Court for the District of Minnesota, in which claims against CSS LLC relate to an unstated amount of the RMBS at issue; two actions brought by Massachusetts Mutual Life Insurance Company in the U.S. District Court for the District of Massachusetts, in which claims against CSS LLC and its employees relate to approximately USD 107 million of the RMBS at issue (approximately 97 per cent. of the USD 110 million at issue against all defendants in the operative pleadings); one action brought by Watertown Savings Bank in the SCNY, in which claims against CSS LLC and its affiliates relate to an unstated amount of the RMBS at issue; and one action brought by the Western & Southern Life Insurance Company and affiliated entities in Ohio state court, in which claims against CSS LLC and its affiliates relate to approximately USD 260 million of the RMBS at issue (approximately 94 per cent. of the USD 276 million at issue against all defendants in the operative pleading).

CSS LLC and certain of its affiliates and/or employees are the only defendants named in: one action brought by Allstate Insurance Company in the SCNY, in which claims against CSS LLC and its affiliates relate to approximately USD 187 million of RMBS; one action brought by Deutsche Zentral-Genossenschaftsbank AG, New York Branch in the SCNY, in which claims against CSS LLC and its affiliates relate to approximately USD 138 million of RMBS; one action brought by IKB Deutsche Industriebank AG and affiliated entities in the SCNY, in which claims against CSS LLC and its affiliates relate to approximately USD 97 million of RMBS; one action brought by Minnesota Life Insurance Company and affiliated entities in Minnesota state court, in which claims against CSS LLC and its affiliates relate to approximately USD 43 million of RMBS; two actions brought by the National Credit Union Administration Board: one as liquidating agent of the US Central Federal Credit Union, Western Corporate Federal

Credit Union and Southwest Corporate Federal Credit Union in the US District Court for the District of Kansas, in which claims against CSS LLC and its affiliate relate to approximately USD 311 million of RMBS, and one as liquidating agent of the Southwest Corporate Federal Credit Union and Members United Corporate Federal Credit Union in the SDNY, in which claims against CSS LLC and its affiliates relate to approximately USD 229 million of RMBS; one action brought by Phoenix Light SF Ltd. and affiliated entities in the SCNY, in which claims against CSS LLC and its affiliates relate to approximately USD 362 million of RMBS; one action brought by The Prudential Insurance Company of America and affiliated entities in the US District Court for the District of New Jersey, in which claims against CSS LLC and its affiliates relate to approximately USD 461 million of RMBS; one action brought by Royal Park Investments SA/NV in the SCNY, in which claims against CSS LLC and its affiliate relate to approximately USD 360 million of RMBS; one dismissed action initially brought by The Union Central Life Insurance Company and affiliated entities in the SDNY, in which there is a pending letter motion to propose a second amended complaint in which claims against CSS LLC and its affiliates and employees relate to approximately USD 65 million of RMBS. These actions are at early or intermediate procedural points.

Individual investor actions discontinued during the course of 2013 included the following: one of two actions brought by the Federal Home Loan Bank of Chicago against CSS LLC and other financial institutions; one of four actions against CSS LLC brought by the FDIC, as receiver for Colonial Bank; Federal Housing Finance Agency v. JPMorgan Chase & Co., one of the FHFA's actions against CSS LLC and its affiliates and employees and other financial institutions; the action brought by Phoenix Light SF Ltd., with leave to replead, which resulted in the filing of a new action; following a settlement, the action brought by Sealink Funding Limited against CSS LLC and its affiliates; following a settlement, the action brought by Stichting Pensioenfonds ABP against CSS LLC and its affiliates and employees; and, following a settlement, the action brought by West Virginia Investment Management Board against CSS LLC. In addition, on 14th February 2014, as a result of a settlement, the SDNY entered a stipulation of voluntary dismissal with prejudice, discontinuing FHFA v. Morgan Stanley, one of the FHFA's actions against CSS LLC and its affiliates and employees, and other financial institutions, relating to approximately USD 1.4 billion of RMBS at issue against CSS LLC. Further, on 21st March 2014, CSS LLC and certain affiliates and employees entered into an agreement with the FHFA to settle all claims in two of three remaining actions filed by the FHFA in the SDNY for USD 885 million, which amount was partially covered by existing provisions. The actions settled on 21st March 2014 related to approximately USD 16.6 billion of RMBS at issue against the Credit Suisse defendants. Additionally, on 25th March 2014, a stipulation of voluntary discontinuance with prejudice was filed with the SCNY, discontinuing the two consolidated actions brought by Landesbank Baden-Württemberg and affiliated entities against CSS LLC and other financial institutions, relating to approximately USD 200 million of RMBS at issue against CSS LLC.

*Monoline Insurer Disputes:* CSS LLC and certain of its affiliates are defendants in three pending actions, each commenced by a monoline insurer. The insurers include MBIA Insurance Corp. (**MBIA**), Assured Guaranty Corp. (Assured), and Financial Guaranty Insurance Company (**FGIC**), each of which guaranteed payments of principal and interest related to approximately USD 770 million, USD 570 million, and USD 240 million of RMBS, respectively, issued in eight different offerings sponsored by Credit Suisse. One theory of liability advanced by the monoline insurers is that an affiliate of CSS LLC must repurchase affected mortgage loans from the trusts at issue. In each action, plaintiffs claim that the vast majority of the underlying mortgage loans breach certain representations and warranties, and that CSS LLC and its affiliates have failed to repurchase the allegedly defective loans. In addition, the monoline insurers allege claims for fraud, fraudulent inducement, material misrepresentations, and breaches of warranties, repurchase obligations, access rights and servicing obligations, and reimbursement. MBIA, Assured and FGIC have submitted repurchase demands for loans with an original principal balance of approximately USD 475 million, USD 2.2 billion and USD 37 million, respectively. These actions are pending in the SCNY and are at early or intermediate procedural points. Further, on 15th November 2013, CIFG Assurance North America, Inc. (**CIFG**) filed an action against CSS LLC in the SCNY, relating to financial guaranty insurance issued by CIFG on a credit default swap guaranteeing payment on approximately USD 396 million of notes of a collateralized debt obligation. CIFG alleges material misrepresentation in the inducement of an insurance contract and fraud relating to alleged affirmative misrepresentations and material omissions made to induce CIFG to guarantee the securities.

*Repurchase litigations:* DLJ Mortgage Capital, Inc. (**DLJ**) is a defendant in: one action brought by Asset Backed Securities Corporation Home Equity Loan Trust, Series 2006-HE7, in which plaintiff alleges damages of not less than USD 319 million; one action brought by Home Equity Asset Trust, Series 2006-8, in which plaintiff alleges damages of not less than USD 436 million; one action brought by Home Equity Asset Trust 2007-1, in which plaintiff alleges damages of not less than USD 400 million; one action brought by Home Equity Asset Trust Series 2007-3, in which plaintiff alleges damages of not less than USD 206 million; one action brought by Asset Backed Securities Corporation Home Equity Loan Trust Series AMQ 2007-HE2, in which no damages amount is alleged; one action brought by Home Equity Asset Trust 2007-2, in which plaintiff alleges damages of not less than USD 495 million; and one action brought by CSMC Asset-Backed Trust 2007-NC1, in which no damages amount is alleged. DLJ and its affiliate, Select Portfolio Servicing, Inc. (**SPS**), are defendants in: one action brought by Home Equity Mortgage Trust

Series 2006-1, Home Equity Mortgage Trust Series 2006-3 and Home Equity Mortgage Trust Series 2006-4, in which plaintiffs allege damages of not less than USD 730 million, and allege that SPS obstructed the investigation into the full extent of the defects in the mortgage pools by refusing to afford the trustee reasonable access to certain origination files; and one action brought by Home Equity Mortgage Trust Series 2006-5, in which plaintiff alleges damages of not less than USD 500 million, and alleges that SPS likely discovered DLJ's alleged breaches of representations and warranties but did not notify the trustee of such breaches, in alleged violation of its contractual obligations. These actions are brought in the SCNY and are at early procedural points. The following repurchase actions were dismissed with prejudice in 2013: the three consolidated actions brought by Home Equity Asset Trust 2006-5, Home Equity Asset Trust 2006-6 and Home Equity Asset Trust 2006-7 against DLJ.

#### *Refco-related litigation*

In March 2008, CSS LLC was named, along with other financial services firms, accountants, lawyers, officers, directors and controlling persons, as a defendant in an action filed in New York State court (later removed to the Southern District of New York) by the Joint Official Liquidators of various SPhinX Funds and the trustee of the SPhinX Trust, which holds claims that belonged to PlusFunds Group, Inc. (**PlusFunds**), the investment manager for the SPhinX Funds. The operative amended complaint asserted claims against CSS LLC for aiding and abetting breaches of fiduciary duty and aiding and abetting fraud by Refco's insiders in connection with Refco's August 2004 notes offering and August 2005 IPO. Plaintiffs sought to recover from defendants more than USD 800 million, consisting of USD 263 million that the SPhinX Managed Futures Fund, a SPhinX fund, had on deposit and lost at Refco, several hundred million dollars in alleged additional "lost enterprise" damages of PlusFunds, and pre-judgment interest. In November 2008, CSS LLC filed a motion to dismiss the amended complaint. In February 2012, the court granted in part and denied in part the motion to dismiss, which left intact part of plaintiffs' claim for aiding and abetting fraud. In August 2012, CSS LLC filed a motion for summary judgment with respect to the remaining part of plaintiffs' aiding and abetting fraud claim. In December 2012, the court granted the motion, thus dismissing CSS LLC from the case. The court has not yet issued a final judgment as to CSS LLC, and the dismissal of the claims against CSS LLC will be subject to appeal.

#### *Bank loan litigation*

On 3rd January 2010, CS and other affiliates were named as defendants in a lawsuit filed in the U.S. District Court for the District of Idaho by homeowners in four real estate developments, Tamarack Resort, Yellowstone Club, Lake Las Vegas and Ginn Sur Mer. CS arranged, and was the agent bank for, syndicated loans provided for all four developments, which have been or are now in bankruptcy or foreclosure. The plaintiffs generally allege that CS and other affiliates committed fraud by using an unaccepted appraisal method to overvalue the properties with the intention to have the borrowers take out loans they could not repay because it would allow CS and other affiliates to later push the borrowers into bankruptcy and take ownership of the properties. Plaintiffs demanded USD 24 billion in damages. Cushman & Wakefield, the appraiser for the properties at issue, is also named as a defendant. After the filing of amended complaints and motions to dismiss, the claims were significantly reduced. On 24th September 2013, the court denied the plaintiffs' motion for class certification so the case cannot proceed as a class action. CS and other affiliates are also the subject of certain other related litigation regarding these four and other similar real estate developments.

#### *Auction Rate Securities*

On 27th May 2009, Elbit Systems Ltd (**Elbit**) filed a complaint against CSG in the U.S. District Court for the Northern District of Illinois, seeking approximately USD 16 million related to the purchase of auction rate securities, alleging federal securities law claims and state law aiding and abetting fraud and unjust enrichment causes of action. The case was transferred to the SDNY. On 22nd May 2013, the CSG and Elbit settled the lawsuit.

#### *Tax and securities law Matters*

CSG has been responding to subpoenas and other requests for information from the United States Department of Justice (**DOJ**), the US Securities and Exchange Commission (**SEC**) and other authorities involving historical Private Banking services provided on a cross-border basis to US persons. U.S. authorities are investigating possible violations of U.S. tax and securities laws. In particular, the DOJ is investigating whether U.S. clients violated their U.S. tax obligations and whether CSG and certain of its employees assisted such clients. The SEC has investigated whether certain of our relationship managers triggered obligations for CSG or the relationship managers in Switzerland to register with the SEC as a broker-dealer or investment advisor. A limited number of current or former employees have been indicted and two former employees have pleaded guilty (in one case, as to conduct while employed at other financial institutions that did not involve CSG and in the other case as to conduct while employed at a former Credit Suisse subsidiary prior to 2006 and other financial institutions after 2006). CSG received a grand jury target letter from the DOJ. CS understands that certain U.S. authorities are also investigating other Swiss and non-U.S. financial

institutions. CSG has been conducting an internal investigation and is continuing to cooperate with the authorities both in the U.S. and Switzerland to resolve this matter in a responsible manner that complies with its legal obligations. Our provision of Swiss-based information to these US authorities has been in accordance with permission granted by Swiss authorities. CSG has established a loss contingency provision of CHF 895 million with respect to the tax and securities law matters described in this subsection. CSG had previously disclosed a provision of CHF 470 million with respect to these matters, including CHF 175 million in connection with the settlement with the SEC described in the following paragraph.

On 21st February 2014, Credit Suisse AG reached a settlement with the SEC that resolves the SEC's investigation regarding registration as an investment advisor and broker-dealer. In a settled administrative and cease-and-desist proceeding, the SEC charged Credit Suisse AG with violating Section 15(a) of the US Securities Exchange Act of 1934 (**Exchange Act**) and Section 203(a) of the US Investment Advisers Act of 1940 (**Advisers Act**). Specifically, the SEC's Order finds that from at least 2002 through its exit from the US cross-border securities business which CS began in 2008, CS, through actions of certain of its relationship managers, violated the federal securities laws by providing certain cross-border brokerage and investment advisory services to US clients at a time when CS was not registered with the SEC as a broker-dealer or investment advisor. As part of the settlement of the investigation, CS agreed, among other things, to cease-and-desist from committing or causing any future violations of Section 15(a) of the Exchange Act or Section 203(a) of the Advisers Act and to pay approximately USD 196 million, inclusive of disgorgement of approximately USD 82 million, prejudgment interest of approximately USD 64 million, and a civil money penalty in the amount of USD 50 million. CS also agreed to the appointment of an independent consultant who will review its cross-border compliance policies with respect to the US securities laws and will verify that CS has exited the US cross-border business.

#### *Rates-related matters*

Regulatory authorities in a number of jurisdictions, including the United States, the United Kingdom, the European Union and Switzerland, have for an extended period of time been conducting investigations into the setting of LIBOR and other reference rates with respect to a number of currencies, as well as the pricing of certain related derivatives. These ongoing investigations have included information requests from regulators regarding LIBOR-setting practices and reviews of the activities of various financial institutions, including CSG. CSG, which is a member of three LIBOR rate-setting panels (U.S. Dollar LIBOR, Swiss Franc LIBOR and Euro LIBOR) is cooperating fully with these investigations.

In particular, it has been reported that regulators are investigating whether financial institutions engaged in an effort to manipulate LIBOR, either individually or in concert with other institutions, in order to improve market perception of these institutions' financial health and/or to increase the value of their proprietary trading positions. In response to regulatory inquiries, CSG commissioned a review of these issues. To date, CSG has seen no evidence to suggest that it is likely to have any material exposure in connection with these issues.

In addition, members of the US Dollar LIBOR panel, including CSG, have been named in various civil lawsuits filed in the United States. All but one of these matters have been consolidated for pre-trial purposes into a multi-district litigation in the SDNY. On 29th March 2013, the court dismissed a substantial portion of the case against the panel banks, dismissing the RICO and Sherman Act antitrust claims as well as all state law claims, leaving only certain claims under the Commodity Exchange Act based on LIBOR related instruments entered into after 30th May 2008.

Subsequently, on 23rd August 2013, the court rejected plaintiffs' requests to replead the dismissed causes of action, except for certain of plaintiffs' state law claims, which are being replead by the plaintiffs. The court held a hearing on defendants' motion to dismiss the remaining claims on 4th February 2014. The matter not consolidated in the multi-district litigation is also in the SDNY, which is considering defendants' motion to dismiss that lawsuit. The reference rates investigations have also included information requests from regulators regarding trading activities and the setting of benchmark rates in the foreign exchange markets. On 31st March 2014, the Swiss Competition Commission announced a formal investigation of numerous Swiss and international financial institutions, including CSG, in relation to the setting of exchange rates in foreign exchange trading. CSG is cooperating fully with these investigations. The investigations are ongoing and it is too soon to predict the final outcome of the investigations. In addition, the Group and other financial institutions have been named in a number of related civil class action lawsuits filed in U.S. federal court.

#### *Singapore MAS matter*

On 14th June 2013, the Monetary Authority of Singapore (**MAS**) announced it was taking supervisory action against 20 banks for various deficiencies relating to the benchmark processes regarding the Singapore dollar interest

rate benchmarks, Singapore Interbank Offered Rates and Swap Offered Rates, and the foreign exchange spot benchmarks commonly used to settle Non-Deliverable Forward foreign exchange contracts. Credit Suisse AG Singapore Branch (**CSSB**) was one of the named banks. The MAS censured the banks and directed them to adopt measures to address these deficiencies. The MAS has also required 19 of the 20 banks, including CSSB, to set aside additional statutory reserves for a period of one year. CSSB, along with six other panel banks, has been calibrated in the third of five tiers by the MAS and required to set aside additional statutory reserves of SGD 400-600 million, which were deposited with the MAS in a non-interest bearing account. These additional reserves will be returned to each bank within one year, assuming it has satisfied the MAS that it has adopted sufficient measures to address the identified deficiencies.

#### *CDS-related matters*

In July 2013, the Directorate General for Competition of the European Commission (**DG Comp**) issued a Statement of Objections (**SO**) to various entities of thirteen CDS dealer banks, certain Markit entities and the International Swaps and Derivatives Association, Inc. (**ISDA**) in relation to DG Comp's investigation into possible violations of competition law by certain CDS market participants. Certain Credit Suisse entities were among the named bank entities. The SO marks the commencement of enforcement proceedings in respect of what DG Comp alleges were unlawful attempts to prevent the development of exchange traded platforms for CDS between 2006 and 2009. The next step in the process is for the named entities to provide written responses.

In addition, certain Credit Suisse entities, as well as other banks, have been named in civil litigation in the US. Further, Credit Suisse (USA), Inc. has received civil investigative demands from the DOJ.

#### *Mortgage-related matters – individual investor Actions*

On 3rd April 2014, CMFG Life Insurance Company and affiliated entities filed an action against CSS LLC in the US District Court for the Western District of Wisconsin relating to approximately USD 70 million of RMBS. On 3rd April 2014, Texas County and District Retirement System filed an action against CSS LLC and other financial institutions in Texas state court relating to an unstated amount of RMBS at issue. On 11th April, 2014, following a settlement, the Minnesota state court presiding in the action brought by Minnesota Life Insurance Company and affiliated entities against CSS LLC and its affiliates entered an order of dismissal, discontinuing all claims against CSS LLC and its affiliates, relating to approximately USD 43 million of RMBS. On 14th April 2014, Allstate Insurance Company and CSS LLC and its affiliates filed a partial stipulation of dismissal with the Supreme Court of the State of New York, New York County to discontinue certain claims against CSS LLC and its affiliates, reducing the RMBS at issue for CSS LLC and its affiliates from approximately USD 187 million to approximately USD 169 million. On 29th April 2014, the FHFA entered into an agreement with the First Horizon National Corporation and its affiliates and employees to settle all claims in the last remaining action filed by the FHFA against CSS LLC relating to approximately USD 230 million of RMBS at issue against CSS LLC.

For further information regarding legal proceedings as of 31st March 2014, see note 29 "*Litigation*" of the notes to CSG's consolidated financial statements in the Credit Suisse Financial Report 1Q14.

#### **Additional Information about CSG and CS**

CSG is a publicly held corporation and its registered shares have been listed and traded on the SIX Swiss Exchange and as American Depositary Shares in New York. Since 4th May 2009, the date on which the trading in Swiss blue chips was transitioned from SWX Europe Ltd. to the newly created SIX Swiss Exchange "Swiss Blue Chip Segment", trading in the shares of CSG is again on the SIX Swiss Exchange. Prior to 4th May 2009, the registered shares of CSG had traded on SWX Europe Ltd. (formerly known as virt-x) since 25th June 2001. The Group's American Depositary Shares are traded on the New York Stock.

CSG owns 100 per cent. of each of CSG Finance Guernsey and CS. For further information on CSG's subsidiaries, see note 39 of the Notes to CSG's consolidated financial statements in the Credit Suisse Annual Report 2013.

CSG and CS prepare their consolidated financial statements in accordance with accounting principles generally accepted in the United States of America (**U.S. GAAP**). Neither CSG nor CS prepare their accounts in accordance with International Financial Reporting Standards (IFRS).

For further information about CS and CSG, refer to the Credit Suisse Annual Report 2013 incorporated by reference in this Base Prospectus.

## TAXATION

### General

The discussion of taxation under the headings “*Guernsey*”, “*Luxembourg*” and “*Switzerland*” in this section is only an indication of certain tax implications under the laws of those jurisdictions as they may affect investors. It applies only to persons who are beneficial owners of Notes and may not apply to certain classes of person. The Issuers and the Guarantor make no representations as to the completeness of the information nor undertake any liability of whatsoever nature for the tax implications for investors. Potential investors are strongly advised to consult their own professional advisers in light of their particular circumstances.

### Guernsey

Any Noteholders who are resident for tax purposes in the Islands of Guernsey, Alderney or Herm will suffer no deduction of tax on any payments to them in respect of the Notes or Coupons but details of payment made to Noteholders resident in the Islands of Guernsey, Alderney and Herm will be provided to the Director of Income Tax in Guernsey. Noteholders resident outside of the Islands of Guernsey, Alderney or Herm will not be subject to any tax in Guernsey in respect of any payments to them in respect of the Notes or Coupons.

Guernsey does not currently levy taxes upon capital inheritance, capital gains, gifts, sales or turnover (unless the making of investments and the turning of such investments to account is a business or part of a business), nor are there any estate duties. No duty will be chargeable in Guernsey on the issue, transfer or redemption of Notes or Coupons, although charges are payable to the Ecclesiastical Court in Guernsey for the grant of probate or letters of administration in respect of the Notes or Coupons held by a deceased Noteholder.

### Luxembourg

The following summary is of a general nature and is included herein solely for information purposes. It is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

#### *Withholding Tax*

##### *(i) Non-resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the laws of 21st June 2005 (the **Laws**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Under the Laws implementing the EC Council Directive 2003/48/EC of 3rd June 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 is a resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately 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. Payments of interest under the Notes coming within the scope of the Laws would at present be subject to withholding tax of 35 per cent.

##### *(ii) Resident holders of Notes*

Under Luxembourg general tax laws currently in force and subject to the law of 23rd December 2005, as amended, (the **Law**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

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

## Switzerland

### (a) *Withholding Tax*

Payments of interest on the Notes and repayment of principal of the Notes by the Issuers (other than CS acting through its Zurich head office and CSG) and by CSG as Guarantor in respect of Notes issued by CSG Finance Guernsey, will not be subject to Swiss withholding tax (*Verrechnungssteuer*), even though the Notes are guaranteed by the Guarantor in respect of Notes issued by CSG Finance Guernsey, provided that the relevant Issuer uses the proceeds from the offering and sale of the Notes outside Switzerland (unless use in Switzerland is permitted under the Swiss taxation laws in force from time to time without payments in respect of the Notes becoming subject to withholding or deduction for Swiss withholding tax as a consequence or such use of proceeds in Switzerland).

Payments of interest on Notes issued by CS acting through its Zurich head office, or CSG will be subject to Swiss federal withholding tax at a rate of 35 per cent. Certain types of Notes issued by CS, acting through its Zurich head office, or CSG may be classified as notes with a “predominant one-time interest payment” (*Obligationen mit überwiegender Einmalverzinsung*) - refer to “-Income Taxation on Principal or Interest” below for further details. A “one-time interest payment” will be subject to Swiss federal withholding tax upon redemption of the Notes.

The holder of a Note issued by CS, acting through its Zurich head office, or CSG residing in Switzerland who, at the time the payment of interest is due, is the beneficial owner of the payment of interest and, in the case of a holder who is an individual, duly reports the gross payment of interest in his or her tax return and, in the case of a holder who is a legal entity or an individual required to keep accounting books, includes such payment as earnings in its income statement, is entitled to a full refund of or a full tax credit for the Swiss federal withholding tax. A holder of a Note issued by CS, acting through its Zurich head office, or CSG who is not resident in Switzerland may be able to claim a full or partial refund of the Swiss federal withholding tax by virtue of the provisions of an applicable double taxation treaty, if any, between Switzerland and the country of residence of such holder.

On 24th August 2011 the Swiss Federal Council issued draft legislation, which, if enacted, may require any paying agent in Switzerland to deduct Swiss withholding tax at a rate of 35 per cent. on any payment of interest in respect of a Note (including, as the case may be, a payment by CSG as Guarantor in respect of Notes issued by CSG Finance Guernsey under the Guarantee) to an individual resident in Switzerland (this includes payment to an entity which is treated as fiscally transparent in which an interest is held by such an individual) or to a person (not only individuals) resident outside Switzerland. If this legislation or similar legislation were enacted and an amount of, or in respect of, Swiss withholding tax were to be deducted or withheld from a payment, neither the relevant Issuer, nor the Guarantor in respect of Notes issued by CSG Finance Guernsey nor a paying agent nor any other person would pursuant to the Terms and Conditions of the Notes be obliged to pay additional amounts with respect to any Notes as a result of the deduction or imposition of such withholding tax. In respect of Notes that are not Swiss Notes, the Issuer is required to maintain a paying agent in a jurisdiction within Europe other than Switzerland that will not be required to withhold or deduct tax pursuant to laws enacted in Switzerland providing for the taxation of payments according to principles similar to those laid down (i) in the EU Savings Tax Directive or (ii) in the draft legislation proposed by the Swiss Federal Council on 24th August 2011, in particular the principle to have a person other than the relevant Issuer withhold or deduct the tax.

### (b) *Issue and Transfer Stamp Tax*

The issuance on the settlement day and the redemption of Notes, and the issue of the Guarantee by CSG in respect of Notes issued by CSG Finance Guernsey, will not be subject to Swiss federal stamp duty on dealings in securities (primary market). Secondary market dealings in Notes with a term in excess of 12 months where a Swiss domestic bank or a Swiss domestic securities dealer (as defined in the Swiss federal stamp duty act) is a party, or acts as an intermediary, to the transaction may be subject to Swiss federal stamp duty on dealings in

securities at a rate of up to 0.15 per cent. of the consideration paid in the case of Notes issued by CS, acting through its Zurich head office, and CSG, and at a rate of up to 0.3 per cent. of such consideration paid in the case of Notes issued by the other Issuers. Where both the seller and the purchaser of the Notes (whether or not issued by CS, acting through its Zurich head office, or CSG) are not resident in Switzerland or the Principality of Liechtenstein, no Swiss federal stamp duty on dealing in securities is payable.

(c) *Income Taxation on Principal or Interest*

(i) Notes held by non-Swiss holders

Payments by the Issuers, or by CSG as Guarantor in respect of Notes issued by CSG Finance Guernsey, of interest on the Notes and repayment of principal of the Notes to, and gains realised on the sale or redemption of Notes by, a holder who is a non-resident of Switzerland and who, during the tax period has not engaged in a trade or business through a permanent establishment or a fixed place of business within Switzerland to which such Notes are attributable, will, in respect of such Notes, not be subject to Swiss federal, cantonal or communal income tax.

(ii) Notes held by Swiss resident holders as private assets

*Notes without a “predominant one-time interest payment”*: If the yield-to-maturity of a Note predominantly derives from periodic interest payments and not from a one-time-interest-payment such as an original issue discount or a repayment premium (see below –“*Notes with a “predominant one-time interest payment”*”), then a holder who is an individual resident in Switzerland and who holds such Note as a private asset is required to include any periodic and one-time interest payments received on the Notes in his or her personal income tax return for the relevant tax period, converted, as the case may be, into Swiss Francs at the exchange rate prevailing at the time of payment, and will be taxable on any net taxable income (including the payments of interest on the Notes) for such tax period. A gain (including interest accrued) or a loss realised on the sale of such a Note is a tax-free private capital gain or a non-tax-deductible private capital loss, respectively.

*Notes with a “predominant one-time interest payment”*: If the yield-to-maturity of a Note predominantly derives from a one-time-interest-payment such as an original issue discount or a repayment premium and not from periodic interest payments, then a holder who is an individual resident in Switzerland and who holds such Note as a private asset, is required to include any periodic and one-time interest payments received on the Notes in his or her personal income tax return for the relevant tax period and, in addition, any amount equal to the difference between the value of the Note at redemption or sale (as applicable) and its value at issuance or secondary market purchase, as applicable, converted, in each case, into Swiss Francs at the exchange rate prevailing at the time of payment, sale or redemption, or issuance or purchase, and will be taxable on any net taxable income (including such amounts, i.e. *inter alia*, including any gain in respect of interest accrued or foreign exchange rate appreciation) for the relevant tax period. Any decrease in value realised on such Note on its sale or redemption may be offset by such a holder against any gains (including periodic interest payments) realised by the holder within the same taxation period from other instruments with a predominant one-time interest payment.

See “*-Notes held as Swiss business assets*” below for a summary of the tax treatment of individuals classified as “professional securities dealers”.

(iii) Notes held as Swiss business assets

Individual taxpayers who hold Notes as part of a business in Switzerland and Swiss-resident corporate taxpayers and corporate taxpayers residing abroad holding Notes as part of a Swiss permanent establishment or a fixed place of business in Switzerland, are required to recognise the payments of interest and any capital gain or loss realised on the sale or other disposition of such Notes in their income statement for the respective tax period, and will be taxable on any net taxable earnings for such period. The same taxation treatment also applies to Swiss-resident individuals who, for income tax purposes, are classified as “professional securities dealers” for reasons of, *inter alia*, frequent dealings and leveraged transactions in securities.

## **Ireland**

The following is a summary based on the laws and practices currently in force in Ireland of certain matters regarding the tax position of investors who are the absolute beneficial owners of their Notes and should be treated with appropriate caution. Particular rules may apply to certain classes of taxpayers holding Notes including dealers in securities and trusts. The summary does not constitute tax or legal advice and the comments below are of a general nature only. It does not discuss all aspects of Irish taxation that may be relevant to any particular holder of Notes.

Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

*(a) Withholding tax*

Tax at the standard rate of income tax (currently 20 per cent.) is required to be withheld from payments of Irish source interest. An Issuer will not be obliged to withhold tax from payments of interest on the Notes so long as such payments do not constitute Irish source income. Interest and premium paid on the Notes may be treated as having an Irish source if:

- (i) the Issuer is resident in Ireland for tax purposes; or
- (ii) the Issuer is not resident in Ireland for tax purposes but the register for the Notes is maintained in Ireland or if the Notes are in bearer form the Notes are physically held in Ireland; or
- (iii) the Issuer has a branch or permanent establishment in Ireland, the assets or income of which is used to fund the payments on the Notes.

It is anticipated that (i) the Issuers are not and will not be resident in Ireland for tax purposes; (ii) the Issuers will not have a branch or permanent establishment in Ireland; (iii) payments under the Notes will not be derived from Irish sources or assets; (iv) bearer Notes will not be physically located in Ireland; and (v) the Issuers will not maintain a register of any registered Notes in Ireland.

*(b) Encashment tax*

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from any interest, dividends or other annual payments paid on Notes issued by a company not resident in Ireland, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder who is Irish resident.

Encashment tax does not apply where the Noteholder is not resident in Ireland and has made a declaration in the prescribed form to the encashment agent or bank.

**United Kingdom**

The following applies only to persons who are the beneficial owners of Notes and is a summary of the Issuers' understanding of current United Kingdom law and published HM Revenue and Customs practice relating only to United Kingdom withholding tax treatment of payments of principal and interest in respect of Notes. It does not deal with any other United Kingdom taxation implications of acquiring, holding or disposing of Notes. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom or who may be unsure as to their tax position should seek their own professional advice.

*(a) Interest on the Notes*

- (i) Payment of Interest on the Notes which have a United Kingdom source (including Notes issued by CS, London Branch)

Payments of interest on the Notes which have a United Kingdom source may be made without deduction of or withholding on account of United Kingdom income tax provided that the Notes continue to be listed on a "recognised stock exchange" within the meaning of section 1005 of the Income Tax Act 2007. The Luxembourg Stock Exchange is a recognised stock exchange. The Notes will satisfy this requirement if they are officially listed in Luxembourg in accordance with provisions corresponding to those generally applicable in EEA states and are admitted to trading on the Luxembourg Stock Exchange. Provided, therefore, that the Notes remain so listed, interest on the Notes will be payable without withholding or deduction on account of United Kingdom tax.

If an issuer of Notes which have a United Kingdom source is and continues to be a bank within the meaning of section 991 of the Income Tax Act 2007, and provided that the interest on the Notes which have a United Kingdom source is paid in the ordinary course of the relevant issuer's business within the meaning of section 878 of that Act, it will be entitled to make payments of interest without withholding or deduction for or on account of United Kingdom income tax, whether or not the Notes are listed on a "recognised stock exchange".

Interest on the Notes which have a United Kingdom source may also be paid without withholding or deduction on account of United Kingdom tax where interest on the Notes is paid by a company and, at the time the payment is made, the relevant issuer reasonably believes (and any person by or through whom interest on the Notes 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 and Customs (HMRC) has 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 Notes which have a United Kingdom source may also be paid without withholding or deduction on account of United Kingdom tax where the maturity of the Notes is less than 365 days and those Notes do not form part of a scheme or arrangement of borrowing intended to be capable of remaining outstanding for more than 364 days.

In other cases, an amount must generally be withheld from payments of interest on the Notes which have a United Kingdom source on account of United Kingdom income tax at the basic rate (currently 20 per cent.). However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to a Noteholder, HMRC can issue a notice to the relevant issuer to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

(ii) Payment of Interest on the Notes which do not have a United Kingdom source

Payments of interest on the Notes which do not have a United Kingdom source may be made without deduction of or withholding on account of United Kingdom income tax.

(b) *HMRC's power to obtain information*

HMRC has powers to obtain information and documents relating to the Notes, including in relation to issues of and other transactions in the Notes, interest, payments treated as interest and other payments derived from the Notes. This may include details of the beneficial owners of the Notes, of the persons for whom the Notes are held and of the persons to whom payments derived from the Notes are or may be paid. Information may be obtained from a range of persons including persons who effect or are a party to such transactions on behalf of others, registrars and administrators of such transactions, the registered holders of the Notes, persons who make, receive or are entitled to receive payments derived from the Notes and persons by or through whom interest and payments treated as interest are paid or credited. Information obtained by HMRC may be provided to tax authorities in other jurisdictions.

## **Netherlands**

The following summary outlines the principal Netherlands withholding tax consequences of the acquisition, holding, settlement, redemption and disposal of the Notes. It is not a comprehensive description of all Netherlands tax considerations in relation thereto. Each prospective investor should consult a professional tax advisor with respect to the tax consequences of an investment in the Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

For the purpose of The Netherlands tax consequences described herein, it is assumed that none of the Issuers is a resident or deemed to be a resident of The Netherlands for The Netherlands tax purposes.

Where this summary refers to The Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

### *Netherlands Withholding Tax*

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein.

## **Final Foreign Withholding Taxes**

Treaties on final withholding taxes of Switzerland with the United Kingdom and Austria (each a **Contracting State**) require a Swiss paying agent, as defined in the treaties, to levy a flat-rate final withholding tax (*Abgeltungssteuer*) at rates specified in the treaties on certain capital gains and income items (interest, dividends, other income items, all as defined in the treaties, deriving from assets, including the Notes and the Guarantee, as applicable, held in accounts or deposits with a Swiss paying agent by (i) an individual resident in a Contracting State or, (ii) if

certain requirements are met, by a domiciliary company (*Sitzgesellschaft*), an insurance company in connection with a so-called insurance wrapper (*Lebensversicherungsmantel*) or other individuals if the beneficial owner is an individual resident in a Contracting State. The flat-rate tax withheld substitutes the ordinary income tax on the respective capital gains and income items, in the Contracting State where the individual is tax resident. In order to avoid the withholding of the flat-rate tax by the Swiss paying agent, such individuals may opt for a disclosure of the respective capital gains and income items to the tax authorities of the Contracting State where they are tax residents.

### **United Kingdom-Guernsey Intergovernmental Agreement**

On 22nd October 2013 the Chief Minister of Guernsey signed an intergovernmental agreement with the UK (the **UK-Guernsey IGA**) under which certain disclosure requirements will be imposed in respect of certain investors who are resident in the UK or which are entities that are controlled by one or more residents in the UK. The UK-Guernsey IGA is subject to ratification by Guernsey's parliament and implementation of the agreement would be through Guernsey's domestic legislative procedure in accordance with regulations and guidance yet to be published in final form. Accordingly, the full impact of the UK-Guernsey IGA on CSG Finance Guernsey and its reporting responsibilities pursuant to the UK-Guernsey IGA is currently uncertain.

### **EU Savings Tax Directive and associated arrangements with Switzerland and Guernsey**

Under EC Council Directive 2003/48/EC on the taxation of savings income (the **EU Savings Tax Directive**), Member States are required, from 1st July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland and Guernsey agreed to adopt similar measures (a withholding system in the case of both Switzerland and Guernsey) with effect from the same date. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1st January 2015, in favour of automatic information exchange under the EU Savings Tax Directive.

On 24th March 2014, the European Council adopted an EU Council Directive amending and broadening the scope of the requirements described above. In particular, the changes expand the range of payments covered by the EU Savings Tax Directive to include certain additional types of income, and widen the range of recipients payments to whom are covered by the EU Savings Tax Directive, to include certain other types of entity and legal arrangement. Member States are required to implement national legislation giving effect to these changes by 1st January 2016 (which national legislation must apply from 1st January 2017).

On 26th October 2004, the European Community and Switzerland entered into an agreement (the **Swiss Savings Tax Agreement**) on the taxation of savings income by way of a withholding tax system and voluntary declaration in the case of transactions between parties in the EU Member States and Switzerland. In connection with the above amendments to the EU Savings Tax Directive, Switzerland and the European Commission have commenced negotiations on certain amendments to the Swiss Savings Tax Agreement, as amended by the EU Council Directive of 24th March 2014.

On the basis of such agreement, Switzerland has introduced a withholding tax on interest payments or other similar income paid by any paying agent within Switzerland to EU resident individuals as of 1st July 2005 with the option of the individual to have the paying agent and the relevant Swiss authorities provide to the tax authorities of the Member State the details of the interest payments or payments of other similar income in lieu of the withholding. The withholding tax is currently to be withheld at a rate of 35 per cent. The beneficial owner of the interest payments may be entitled to a tax credit or refund of the withholding if certain conditions are met.

Since 1st July 2005, Guernsey and the EU Member States entered into agreements (the **Guernsey Savings Tax Agreements**) on the taxation of savings income. On the basis of such agreements, Guernsey introduced a system whereby withholding tax (called a **retention tax**) was levied on interest payments or other similar income paid by a paying agent within Guernsey to individuals resident in the contracting EU Member States on or after 1st July 2005.

On 24th November 2010, Guernsey approved proposals to move to automatic exchange of information in relation to such interest payments. From 1st July 2011, paying agents in Guernsey must not deduct retention tax but must report any such interest payment made to the Director of Income Tax in Guernsey.

Prospective purchasers of these Notes should consult their advisors concerning the impact of the EU Savings Tax Directive, the Swiss Savings Tax Agreement, the Guernsey Savings Tax Agreements or any law or other

governmental regulation implementing or complying with, or introduced in order to conform to, such Directive or agreements. Notwithstanding the above, for the avoidance of doubt, should the relevant Issuer, any Swiss paying agent, any Guernsey paying agent or any institution where the Notes are deposited be required to withhold any amount as a direct or indirect consequence of the EU Savings Tax Directive, then, there is no requirement for the Issuers (or the Guarantor, as the case may be) to pay any additional amounts pursuant to Condition 8 (or Section 4 of the Guarantee, as the case may be) relating to such withholding.

## **U.S. Foreign Account Tax Compliance Act**

FATCA imposes a new reporting regime and potentially a 30 per cent. withholding tax with respect to certain payments to any non-U.S. financial institution (a foreign financial institution, or **FFI** (as defined by FATCA)) that does not become a **Participating FFI** by entering into an agreement with the U.S. Internal Revenue Service (**IRS**) to provide the IRS with certain information in respect of its account holders and investors or is not otherwise exempt from or in deemed compliance with FATCA. Each Issuer and the Guarantor may be classified as an FFI.

The new withholding regime will be phased in beginning 1st July 2014 for payments from sources within the United States and will apply to **foreign passthru payments** (a term not yet defined) no earlier than 1st January 2017. This withholding would potentially apply to payments in respect of any Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued after the **grandfathering date**, which is the date that is six months after the date on which final U.S. Treasury regulations defining the term foreign passthru payment are filed with the Federal Register, or which are materially modified on or after the grandfathering date. If Notes are issued before the grandfathering date, and additional Notes of the same series are issued on or after that date, the additional Notes may not be treated as grandfathered, which may have negative consequences for the existing Notes, including a negative impact on market price.

The United States and a number of other jurisdictions have announced their intention to negotiate intergovernmental agreements to facilitate the implementation of FATCA (each, an **IGA**). Pursuant to FATCA and the **Model 1** and **Model 2** IGAs released by the United States, an FFI in an IGA signatory country could be treated as a **Reporting FI** not subject to withholding under FATCA on any payments it receives. Further, an FFI in a Model 1 IGA jurisdiction would generally not be required to withhold under FATCA or an IGA (or any law implementing an IGA) (any such withholding being **FATCA Withholding**) from payments it makes. The Model 2 IGA leaves open the possibility that a Reporting FI might in the future be required to withhold as a Participating FFI on foreign passthru payments. Under each Model IGA, a Reporting FI would still be required to report certain information in respect of its account holders and investors to its home government or to the IRS. The United States and Switzerland have entered into an agreement (the **US-Swiss IGA**) based largely on the Model 2 IGA. The United States and Guernsey have entered into an agreement (the **US-Guernsey IGA**) based on the Model 1 IGA which will be implemented through Guernsey's domestic legislation, in accordance with regulations and guidance yet to be published in finalised form.

Assuming they are treated as FFIs, each of the Issuers expects to be treated as a Reporting FI pursuant to either the US-Swiss IGA or the US-Guernsey IGA, as the case may be, and does not anticipate being obliged to deduct any FATCA Withholding on payments it makes. There can be no assurance, however, that each of the Issuers will be treated as a Reporting FI, or that it would in the future not be required to deduct FATCA Withholding from payments it makes. Accordingly, each of the Issuers and financial institutions through which payments on the Notes are made may be required to withhold FATCA Withholding if any FFI through or to which payment on such Notes is made is not a Participating FFI, a Reporting FI, or otherwise exempt from or in deemed compliance with FATCA.

Whilst the Notes are in global form and held within the ICSDs, it is expected that FATCA will not affect the amount of any payments made under, or in respect of, the Notes by the relevant Issuer, the Guarantor, in the case of Guaranteed Notes, any paying agent and the common depositary or common safekeeper, given that each of the entities in the payment chain beginning with the Issuer and ending with the participants in the ICSDs is a major financial institution whose business is dependent on compliance with FATCA and that any alternative approach introduced under an IGA will be unlikely to affect the Notes. The documentation expressly contemplates the possibility that the Notes may go into definitive form and therefore that they may be taken out of the ICSDs. If this were to happen, then a non-FATCA compliant holder could be subject to FATCA Withholding. However, definitive Notes will only be printed in remote circumstances.

**FATCA is particularly complex and its application is uncertain at this time. The above description is based in part on regulations, official guidance and model IGAs, all of which are subject to change or may be implemented in a materially different form. Prospective investors should consult their tax advisers on how these rules may apply to the Issuer and to payments they may receive in connection with the Notes.**

**TO ENSURE COMPLIANCE WITH IRS CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY TAX DISCUSSION HEREIN IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY THE TAXPAYER FOR THE PURPOSE OF AVOIDING U.S. FEDERAL INCOME TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (B) ANY SUCH TAX DISCUSSION WAS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED HEREIN; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISER.**

**The proposed financial transactions tax (FTT)**

The European Commission has published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **participating Member States**).

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated programme agreement (as the same may be supplemented, amended and/or restated from time to time, the **Programme Agreement**) dated 16th May 2013, agreed with each of the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “*Form of the Notes*” and “*Terms and Conditions of the Notes*”. In the Programme Agreement, the Issuers and the Guarantor have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under 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, or not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

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

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, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Series of Notes, an offer or sale of such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Credit Suisse Securities (Europe) Limited, an affiliate of the Issuers and the Guarantor, may (but is not obligated to) engage in secondary market transactions for purposes of making a market in the Notes. For purposes of the Securities Act, any sale of Notes by the Guarantor or its affiliates (including Credit Suisse Securities (Europe) Limited) in connection with such activities may be considered an issuance of such Notes, with the result that a new 40-day distribution compliance period might commence pursuant to Regulation S. Accordingly, neither the Guarantor nor any of its affiliates (including Credit Suisse Securities (Europe) Limited) will sell Notes in connection with any such activities within the United States or to, or for the account or benefit of, a U.S. person and in connection with any sale to a dealer, the Guarantor and its affiliates will include in the confirmation relating to such sale a notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons that would be applicable to such dealer if a new distribution compliance period had commenced for purposes of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S.

### Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the final terms in relation thereto to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) if the final terms in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a **Non-exempt**

**Offer**), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, provided that any such prospectus has subsequently been completed by the final terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the 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 Notes referred to in (b) to (e) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision:

- (i) the expression an **offer of Notes to the public** in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State;
- (ii) 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 each Relevant Member State; and
- (iii) the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

## United Kingdom

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) in relation to any Notes issued by CSG Finance Guernsey or CSG which have a maturity of less than one year, (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of such Notes would otherwise constitute a contravention of Section 19 of the FSMA by CSG Finance Guernsey or CSG, as the case may be;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not or, in the case of CS, would not, if it was not an authorised person, apply to the relevant Issuer or the Guarantor; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

## Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the **FIEA**) and 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 or sell any Notes, directly

or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended), or to others for re-offering or resale, directly or indirectly, in Japan or to, or on the behalf of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### **Guernsey**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to be represent and agree, that it has not offered or sold and will not offer or sell, at any time, any Notes to any person resident for the purposes of the Income Tax (Guernsey) Law 1975 in the Islands of Guernsey, Alderney or Herm.

### **Singapore**

Each Dealer has acknowledged that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that no Notes may be offered or sold or made the subject of an invitation for subscription or purchase nor may this Base Prospectus or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (1) to an institutional investor pursuant to Section 274 of the Securities and Futures Act, (2) to a relevant person, or any person pursuant to Sections 275(1) and 275(1A) respectively of the Securities and Futures Act, and in accordance with the conditions specified in Section 275 of the Securities and Futures Act, or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the Securities and Futures Act.

Where the Notes are subscribed or purchased under Section 275 of the Securities and Futures Act by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the Securities and Futures Act)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor,

securities (as defined in Section 239(1) of the Securities and Futures Act) of that corporation or the beneficiaries' rights and interest howsoever described in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer under Section 275 of the Securities and Futures Act except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the Securities and Futures Act or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the Securities and Futures Act; or
- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law; or
- (iv) pursuant to Section 276(7) of the Securities and Futures Act or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations.

### **Australia**

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (**Corporations Act**)) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission (**ASIC**). Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it:

- (a) has not (directly or indirectly) offered, and will not offer for issue or sale and has not invited, and will not invite, applications for issue, or offers to purchase, the Notes in, to or from Australia (including an offer or invitation which is received by a person in Australia); and
- (b) has not distributed or published, and will not distribute or publish, any information memorandum, advertisement or other offering material relating to the Notes in Australia,

unless (1) the aggregate consideration payable by each offeree or invitee is at least AUD 500,000 (or its equivalent in other currencies, disregarding moneys lent by the offeror or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 of the Corporations Act, (2) such action complies with all applicable laws, regulations and directives, and (3) such action does not require any document to be lodged with ASIC.

### **Canada**

The Notes will not be qualified for sale under the securities laws of any province or territory of Canada. Each Dealer has represented and agreed that it has not offered, sold or distributed and will not offer, sell or distribute any Notes, directly or indirectly, in Canada or to or for the benefit of any resident of Canada, other than in compliance with applicable securities laws. Each Dealer has also represented and agreed that it has not and will not distribute or deliver the Base Prospectus, or any other offering material in connection with any offering of Notes in Canada, other than in compliance with applicable securities laws.

### **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuers, the Guarantor nor any of the Dealers shall have any responsibility therefor.

None of the Issuers, the Guarantor and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

## GENERAL INFORMATION

### Authorisation

The update of the Programme and the issue of Notes have been duly authorised by:

- (i) a resolution of the Board of Directors of Credit Suisse Group Finance (Guernsey) Limited dated 14th May 2014;
- (ii) the Chief Financial Officer of Credit Suisse Group AG on 6th May 2014; and
- (iii) the Chief Financial Officer of Credit Suisse AG on 6th May 2014.

### Approval, Listing and Admission to Trading

Application has been made to the CSSF to approve this document as a base prospectus. Application has also been made to the Luxembourg Stock Exchange for Notes issued under the Programme to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the Official List of the Luxembourg Stock Exchange. The Luxembourg Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

The SIX Swiss Exchange has registered this Base Prospectus as an "issuance programme" for the listing of the bonds on the SIX Swiss Exchange in accordance with its Listing Rules as of 15th May 2014. An application may be made to the SIX Swiss Exchange for Notes issued under the Programme to be listed on the SIX Swiss Exchange. In respect of any Series of Notes to be listed on the SIX Swiss Exchange, this Base Prospectus, together with the relevant Final Terms, will constitute the listing prospectus for the purposes of the Listing Rules of the SIX Swiss Exchange. In accordance with Article 43 of the Listing Rules of the SIX Swiss Exchange, Credit Suisse AG has been appointed by the Issuers and the Guarantor to lodge the listing application with the SIX Exchange Regulation of the SIX Swiss Exchange.

The following is a brief summary of a general nature regarding the position of the Noteholders under the laws of England with respect to the three items specified below. This summary is for information purposes only and shall not constitute legal advice as to the matters described therein.

#### *Permissibility of joint legal representation of investors before the courts of England:*

As further described herein, the Notes will initially be represented by interests in a Global Note or issued in uncertificated form. So long as the Notes are represented by interests in a Temporary Bearer Global Note or a Permanent Bearer Global Note, the right to commence proceedings in respect of any breach by the Issuer lies with (i) the common depositary or the common safekeeper, as the case may be, as holder of the relevant Global Note or (ii) the individual Noteholders pursuant to the direct enforcement rights provided in the Deed of Covenant. In addition, in a default situation, the Noteholders could seek to exchange the relevant Global Note for definitive Notes. So long as the Notes are represented by a Swiss Global Note or in the case of Swiss Uncertificated Notes, the right to commence proceedings in respect of any breach by the Issuer lies with individual Noteholders pursuant to the direct enforcement rights provided in the Deed of Covenant. In practice neither the common depositary nor the common safekeeper could be expected to enforce the rights of the Noteholders. As such, proceedings would be most likely pursued by the individual Noteholders either under the Deed of Covenant or through their holding of one or more definitive Notes in the event of exchange. Individual Noteholders could seek joint representation in pursuing their separate claims or as co-plaintiffs in a single action. Where separate actions are commenced, a court could order them consolidated and tried together or move forward with one case on the basis it will establish a precedent for adjudication of the similar claims.

#### *Maintenance of anonymity in instances of joint legal representation before the courts of England:*

Notwithstanding that the Notes are in bearer form, it is not practicable, as a matter of English judicial procedure, for a Noteholder to maintain anonymity in legal proceedings brought in an English court to enforce his or her individual rights under the Notes.

#### *Equal treatment in suit of domestic and foreign plaintiffs before the courts of England:*

There is a formal distinction as to the treatment of domestic and foreign participants before the English courts. As a matter of practice, however, claimants from certain other jurisdictions may be more likely to be required to post security for costs of unsuccessful proceedings, since the defendant will be in a better position to argue that his chances for recovering those costs are limited were he to successfully defend the claim.

## Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuers:

- (a) the constitutional documents (with an English translation thereof) of each Issuer;
- (b) the Annual Report 2013 of CSG Finance Guernsey, which contains audited financial statements for CSG Finance Guernsey for the year ended 31st December 2013;
- (c) the Annual Report 2012 of CSG Finance Guernsey, which contains audited financial statements for CSG Finance Guernsey for the year ended 31st December 2012;
- (d) the Credit Suisse Annual Report 2013;
- (e) the Form 6-K dated 16th April 2014, the Form 6-K dated 2nd May 2014 and the Form 6-K dated 9th May 2014;
- (f) the most recently published audited annual consolidated financial statements and audited annual financial statements of each of the Issuers and the most recently published unaudited condensed consolidated interim financial statements (if any) of each of the Issuers (with an English translation thereof, if necessary), in each case together with any audit or review reports prepared in connection therewith. CSG currently prepares unaudited condensed consolidated interim financial statements on a quarterly basis. CS currently prepares unaudited condensed consolidated interim financial statements on a semi-annual basis;
- (g) the Programme Agreement, the Agency Agreement, the Guarantee, the Deeds of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (h) a copy of this Base Prospectus;
- (i) any future Base Prospectuses, all supplements to this Base Prospectus and all Final Terms (save that a Final Terms relating to a Note which is neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Directive will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer and the Paying Agent as to its holding of Notes and identity) and any other documents incorporated herein or therein by reference; and
- (j) in the case of each issue of Notes admitted to trading on the Luxembourg Stock Exchange's regulated market subscribed pursuant to a subscription agreement, the subscription agreement (or equivalent document).

For the period of 12 months following the date of this Base Prospectus, copies of the documents listed in (a) to (g) and (j) above will, when published, be available for inspection and the documents listed in (h) and (i) will, when published, be available for collection from the specified offices of the Paying Agents for the time being.

In addition, copies of this Base Prospectus, each Final Terms relating to Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website at ([www.bourse.lu](http://www.bourse.lu)).

## Clearing Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg and through SIX SIS AG (which are the entities in charge of keeping the records). The appropriate Common Code, ISIN and Swiss Security Number for each Tranche of Notes will be specified in the applicable Final Terms.

If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, the address of Clearstream, Luxembourg is Clearstream Banking, société anonyme, 42 Avenue JF Kennedy, L-1855 Luxembourg and the address of SIX SIS is SIX SIS AG, Baslerstrasse 100, CH-4600 Olten, P.O. Box 1626, CH-4601 Olten.

## **Ratings**

CS has, and issues of Notes by CS under the Programme having a maturity of one year or more have, been rated A by S&P, A by Fitch and A1 by Moody's Inc. CSG has, and issues of Notes by CSG or of Guaranteed Notes under the Programme having in each case a maturity of one year or more have, been rated A- by S&P, A by Fitch and A2 by Moody's Inc.

An obligation rated "A" by S&P is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong. The addition of a minus sign shows the relative standing within the rating category (source: [www.standardandpoors.com](http://www.standardandpoors.com)). Ratings of "A" by Fitch denote 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 (source: [www.fitchratings.com](http://www.fitchratings.com)). Obligations rated "A" by Moody's Inc. 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 and the modifier 2 indicates a mid-range ranking (source: [www.moody's.com](http://www.moody's.com)).

## **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

## **Yield**

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

## **Significant or Material Change**

There has been no significant change in the financial or trading position of CSG Finance Guernsey since 31st December 2013 and there has been no material adverse change in the prospects of CSG Finance Guernsey since 31st December 2013.

There has been no significant change in the financial position of CSG since 31st March 2014. There has been no significant change in the financial position of CS since 31st December 2013. There has been no material adverse change in the prospects of CS or CSG since 31st December 2013.

## **Litigation**

Save as disclosed under "*Credit Suisse Group AG—Legal Proceedings*", none of the Issuers nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers are aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of the Issuers or the Group.

## **Auditors**

The auditors of CSG Finance Guernsey are KPMG Audit Plc, who have audited CSG Finance Guernsey's accounts in accordance with the International Standards on Auditing (UK and Ireland) for each of the two financial years ended on 31st December 2013 and 2012. The auditors of CSG Finance Guernsey have no interest in CSG Finance Guernsey. KPMG Audit Plc is registered with the Institute of Chartered Accountants in England and Wales, the professional body for authorised and approved public accountants within England and Wales. An audit opinion by registrants of the Chartered Accountants in England and Wales is acceptable under Companies (Guernsey) Law 2008 and the Companies (Recognition of Auditors) Ordinance, 2010 for all legal entities registered in Guernsey, except those also regulated by the Guernsey Financial Services Commission.

The auditors of CSG and CS are KPMG who have audited CSG's and CS's consolidated financial statements in accordance with Swiss law, Swiss Auditing Standards and the standards of the Public Company Accounting Oversight Board (United States) as of 31st December 2013 and 2012, and for each of the years in the three-year period ended 31st December 2013. The auditors of CSG and CS have no interest in CSG or CS respectively. KPMG is registered with the Swiss Institute of Certified Accountants and Tax Consultants. KPMG assumed audit services for both CSG and CS for the business year 2009 following an internal restructuring of KPMG in Switzerland, pursuant to which KPMG Klynveld

ceased to provide audit services to public companies. KPMG is licensed by the Federal Audit Oversight Authority, which is responsible for the licensing and supervision of audit firms and individuals which provide audit services in Switzerland.

#### **Post-issuance information**

Except to the extent required by applicable law and regulation, the Issuers do not intend to provide any post-issuance information.

#### **Dealers transacting with the Issuers**

Credit Suisse Securities (Europe) Limited is an indirect subsidiary of the Guarantor and an affiliate of the other Issuers.

#### **CS, London Branch**

In the case of any Notes issued by CS, London Branch, such branch is authorised and regulated by FINMA in Switzerland, authorised by the Prudential Regulation Authority, and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of the regulation of CS, London Branch by the Prudential Regulation Authority are available from CS on request.

#### **Notes deposited with CDS & Co**

The relevant Issuer may issue Notes (referred to below as **CDS Notes**) which are intended to be deposited with CDS & Co, as nominee of The Canadian Depository for Securities Limited (**CDS**). If CDS Notes are issued, a supplement to the Agency Agreement will be entered into, appointing an agent in Canada. Set out below is certain information relating to CDS Notes:

##### *Form, title and transfer*

The CDS Notes will be issued in the form of a bearer global note deposited with CDS & Co and held by CDS (the **CDS Global Note**). Beneficial interests in the CDS Global Note will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in CDS. Investors may elect to hold interests in the CDS Global Note directly through any of CDS (in Canada), or Clearstream, Luxembourg or Euroclear (in Europe) if they are participants of such systems, or indirectly through organisations which are participants in such systems. Clearstream, Luxembourg and Euroclear will hold interests on behalf of their participants through customers' securities accounts in their respective names on the books of their respective Canadian subcustodians, each of which is a Canadian Schedule I chartered bank (**Canadian Subcustodians**), which in turn will hold such interests in customers' securities accounts in the names of the Canadian Subcustodians on the books of CDS.

For so long as any of the CDS Notes are represented by a CDS Global Note, each person who is for the time being shown in the records of CDS as the beneficial owner of a particular principal amount of such CDS Global Note (in which regard any certificate or other document issued by CDS as to the principal amount of such CDS Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such principal amount of such CDS Notes for all purpose other than for the payment of principal and interest on such Notes, the right to which shall be vested, as against the Issuer or any Paying Agent solely in CDS & Co., or any other nominee appointed by CDS. Principal and interest payments on the CDS Global Note will be made on behalf of the Issuer by the Agent (through a Canadian dollar wire transfer via its Toronto cash correspondent (Citibank, Toronto)) to CDS & Co., or any other nominee appointed by CDS, and CDS will distribute the payment received to the applicable clearing system.

##### *Definitive Notes*

If CDS notifies the Issuer that it is unwilling or unable to continue as depository in connection with the CDS Global Note or ceases to be a recognised clearing agency under the Securities Act (Ontario) or other applicable Canadian securities legislation, and a successor depository is not appointed by the Issuer within 90 days after receiving such notice or becoming aware that CDS is no longer so recognised, the Issuer will issue or cause to be issued Notes in definitive form in exchange for the CDS Global Note. The Issuer may also at any time and in its sole discretion determine not to have any of the Notes held in the form of a CDS Global Note and, in such event, will issue or cause to be issued Definitive Notes in exchange for such CDS Global Note.

##### *Direct rights*

Where payment in full of principal or interest has not been made in respect of the CDS Global Note, the Issuer understands that, under existing industry practices, if the Issuer requests any action of the holder of the CDS Global Note or if an owner of a beneficial interest in the CDS Global Note wishes to give or take any action which the holder of the CDS Global Note is entitled to give or take under such CDS Global Note, CDS, or its respective nominees or successors, as the case may be, as the holders of such CDS Global Note would authorise the participants through which the relevant beneficial interests are held to give or take such action, and such participants would authorise owners of beneficial interests owning through such participants to give or take such action or would otherwise act upon the instructions of the beneficial owners holding through them.

#### *Additional information regarding clearing and settlement*

Links have been established among CDS and Clearstream, Luxembourg and Euroclear to facilitate initial issuance of the Notes and cross-market transfers of the Notes associated with secondary market trading. CDS will be directly linked to Clearstream, Luxembourg and Euroclear through the CDS accounts of their respective Canadian Subcustodians.

#### *The clearing systems*

CDS was incorporated in 1970 and is Canada's national securities clearing and depository services organisation. Functioning as a service utility for the Canadian financial community, CDS provides a variety of computer automated services for financial institutions and investment dealers active in domestic and international capital markets. CDS participants (**CDS Participants**) include banks (including the Canadian Subcustodians), investment dealers and trust companies and may include certain of the Managers. Indirect access to CDS is available to other organisations that clear through or maintain a custodial relationship with a CDS Participant. Transfers of ownership and other interests, including cash distributions, in CDS Notes may only be processed through CDS Participants and will be completed in accordance with existing CDS rules and procedures. CDS operates in Montreal, Toronto, Calgary, Vancouver and Halifax to centralise securities clearing functions through a central securities depository.

CDS is a private corporation, owned one-third by investment dealers, one-third by banks and one-third by trust companies through their respective industry associations. CDS is the exclusive clearing house for equity trading on the Toronto Stock Exchange and also clears a substantial volume of "over the counter" trading in equities and bonds.

#### *Global clearance and settlement procedures*

Initial settlement for the CDS Notes will be made in immediately available Canadian dollar funds.

Secondary market trading between CDS Participants will be in accordance with market conventions applicable to transactions in book-based Canadian domestic bonds. Secondary market trading between Clearstream, Luxembourg participants and/or Euroclear participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Clearstream, Luxembourg and Euroclear and will be settled using the procedures applicable to conventional Eurobonds in immediately available funds.

#### *Transfers between CDS and Clearstream, Luxembourg or Euroclear*

Cross-market transfers between persons holding directly or indirectly through CDS Participants, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear participants, on the other, will be effected in CDS in accordance with CDS rules; however, such cross-market transactions will require delivery of instructions to the relevant clearing system by the counterparty in such system in accordance with its rules and procedures and within its established deadlines. The relevant clearing system will, if the transaction meets its settlement requirements, deliver instructions to CDS directly or through its Canadian Subcustodian to take action to effect final settlement on its behalf by delivering or receiving CDS Notes, and making or receiving payment in accordance with normal procedures for settlement in CDS. Clearstream, Luxembourg participants and Euroclear participants may not deliver instructions directly to CDS or the Canadian Subcustodians.

Because of time-zone differences, credits of Notes received in Clearstream, Luxembourg or Euroclear as a result of a transaction with a CDS Participant will be made during subsequent securities settlement processing and dated the business day following the CDS settlement date. Such credits or any transactions in such Notes settled during such processing will be reported to the relevant Clearstream, Luxembourg participants or Euroclear participants on such business day. Cash received in Clearstream, Luxembourg or Euroclear as a result of sales of Notes by or through a Clearstream, Luxembourg participant or a Euroclear participant to a CDS Participant will be received with value on the CDS settlement date but will be available in the relevant Clearstream, Luxembourg or Euroclear cash account only as of the business day following settlement in CDS.

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