

**SECOND SUPPLEMENT DATED 14 AUGUST 2018  
TO THE BASE PROSPECTUS DATED 24 APRIL 2018**



**NATIXIS**

(a public limited liability company (*société anonyme*) incorporated in France)

as Issuer and Guarantor

and

**NATIXIS STRUCTURED ISSUANCE SA**

(a public limited liability company (*société anonyme*) incorporated in the Grand Duchy of Luxembourg)

as Issuer

**Euro 20,000,000,000**

**Debt Issuance Programme**

This supplement (the “**Supplement**” or the “**Second Supplement**”) is supplemental to, and should be read in conjunction with the Base Prospectus dated 24 April 2018 as supplemented by the first supplement to such base prospectus dated 28 May 2018 (together, the “**Base Prospectus**”), prepared in relation to the Euro 20,000,000,000 Debt Issuance Programme of Natixis and Natixis Structured Issuance SA (each an “**Issuer**” and together, the “**Issuers**”), as approved on 24 April 2018, by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) for the purposes of Article 5.4 of Directive 2003/71/EC, as amended by Directive 2010/73/EC (the “**Prospectus Directive**”).

This Supplement constitutes a Supplement to the Base Prospectus for the purposes of Article 16 of the Prospectus Directive and Article 13 of chapter 1 of Part II of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 (the “**Luxembourg Law**”) for the purposes of updating Natixis’ credit ratings and the following sections of the Base Prospectus: Summary, Documents Incorporated by Reference, Terms and Conditions of the English Law Notes, Terms and Conditions of Structured Notes, Additional Terms and Conditions, Recent Developments and General Information.

The Issuers accept responsibility for the information contained or incorporated by reference in this Supplement. The Issuers confirm that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Supplement is, to the best of their knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Issuers that any recipient of this Supplement or any other financial statements should purchase the Notes.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement. Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus since the publication of the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

In accordance with Article 13 paragraph 2 of the Luxembourg Law, investors who have already agreed to purchase or subscribe for any Notes before this Supplement is published, have the right, exercisable within a time limit of two working days after the publication of this Supplement (no later than 17 August 2018), to withdraw their acceptances.

This Supplement will be published on the Luxembourg Stock Exchange's website “[www.bourse.lu](http://www.bourse.lu)”.

## NATIXIS' CREDIT RATINGS

On 29 June 2018, Moody's Investors Services Inc. (**Moody's**), upgraded its rating of the long term unsecured debt of NATIXIS from A2 to A1 and changed the outlook concerning this rating from "positive" to "stable".

The sentence setting out the ratings on the cover page of the Base Prospectus is hereby deleted and replaced as follows:

"As at the date of this Base Prospectus the long term senior unsecured debt of NATIXIS is rated A1 (stable) by Moody's Investors Services Inc. (**Moody's**), A (positive) by Standard and Poor's Ratings Services (**S&P**) and A (positive) by Fitch Ratings Ltd. (**Fitch**)."

## SUMMARY

From the date of this Supplement, the section entitled “SUMMARY” appearing on pages 8 through to 49 of the Base Prospectus is modified as follows:

- The current paragraph in the Base Prospectus on page 12 of the section [B.19/]B.4b under the heading “*Trend information*” is hereby deleted and replaced in its entirety by the following:

“The global economic environment is favourable, with solid growth prospects around the world. However, renewed volatility on the markets has been observed in the opening months of 2018, which means that NATIXIS will need to remain alert and continue to pay close attention to its risk management.

On 27 July 2018, NATIXIS' share capital was increased to €5,040,461,747.20 divided into 3,150,288,592 fully paid up shares of €1.60 each.”

- The information contained in the Base Prospectus on page 12 of the section [B.19/]B.12 under the heading “*Selected historical key financial information*” is hereby deleted and replaced in its entirety by the following:

“As at 30 June 2018, NATIXIS' total assets were € 520.1 billion. As at 30 June 2018, NATIXIS' net revenues for the six months ended 30 June 2018 were € 4,989 million, its gross operating income was € 1,554 million and its net income (group share) was € 903 million.

The financial information in the above paragraph is unaudited and is extracted from NATIXIS' press release published on 2 August 2018 relating to the unaudited financial information of NATIXIS for the 6 month period ended 30 June 2018.

As at 30 June 2017, NATIXIS' total assets were € 510.4 billion. As at 30 June 2017, NATIXIS' net revenues were € 4,756 million, its gross operating income was EUR 1,391 million and its net income (group share) was € 768 million.

As at 31 March 2018, NATIXIS' total assets were € 512.4 billion. As at 31 March 2018, NATIXIS' net revenues were € 2,412 million, its gross operating income was € 618 million and its net income (group share) was € 323 million.

The financial information in the above paragraph is unaudited and is extracted from NATIXIS' press release published on 17 May 2018 relating to the unaudited financial information of NATIXIS for the first quarter ended 31 March 2018.

As at 31 March 2017, NATIXIS' total assets were € 508.9 billion. As at 31 March 2017, NATIXIS' net revenues were € 2,347 million, its gross operating income was € 576 million and its net income (group share) was € 280 million.

As at 31 December 2017, NATIXIS' total assets were €520 billion. NATIXIS' net revenue for the year ended 31 December 2017 was €9,467 million, its gross operating income was €2,835 million and its net income (group share) was €1,669 million.

As at 31 December 2016, NATIXIS' total assets were €527.8 billion. NATIXIS' net revenue for the year ended 31 December 2016 was €8,718 million, its gross operating income was €2,480 million and its net income (group share) was €1,374 million.”

- The current paragraph in the Base Prospectus on page 13 of the section [B.19/]B.12 under the heading “*Significant changes in the financial or trading position*” is hereby deleted and replaced in its entirety by the following:

“Not applicable. There has been no significant change in the financial or trading position of NATIXIS since 30 June 2018.”

- The first paragraph in the Base Prospectus on page 13 of the section [B.19/]B.17 under the heading “*Credit ratings*” is hereby deleted and replaced in its entirety by the following:

“The long term senior unsecured debt of NATIXIS is rated A1 (stable) by Moody’s Investors Inc. (**Moody’s**), A (positive) by Standard and Poor’s Ratings Services (**S&P**) and A (positive) by Fitch Ratings Ltd. (**Fitch**).”

## DOCUMENTS INCORPORATED BY REFERENCE

On 2 August 2018, NATIXIS published a press release (the “**NATIXIS 2018 Q2 Press Release**”) in connection with the unaudited financial information of NATIXIS for the second quarter and first semester ended 30 June 2018.

The NATIXIS 2018 Q2 Press Release (in the English language) has been filed with the CSSF for the purposes of Article 16 of the Prospectus Directive and Article 13 of the Luxembourg Law, and are incorporated by reference in, and forms part of, this Base Prospectus.

The NATIXIS 2018 Q2 Press Release is available in the English and French language on the website of NATIXIS: “www.natixis.com”, and in the English language only on the Luxembourg Stock Exchange’s website: “www.bourse.lu”.

The section entitled “DOCUMENTS INCORPORATED BY REFERENCE” appearing on pages 89 to 95 of the Base Prospectus is deleted in its entirety and replaced as follows:

### “DOCUMENTS INCORPORATED BY REFERENCE

This Base Prospectus should be read and construed in conjunction with the following documents, which have been previously published or are published simultaneously with the Base Prospectus and which have been filed with the CSSF and shall be deemed to be incorporated by reference in, and form part of, this Base Prospectus:

- the English language version of the press release published on 2 August 2018 relating to the unaudited financial information of NATIXIS for the second quarter and first semester ended 30 June 2018 (the **NATIXIS 2018 Q2 Press Release**);
- the English language version of the press release published on 17 May 2018 relating to the unaudited financial information of NATIXIS for the first quarter ended 31 March 2018 (the **NATIXIS 2018 Q1 Press Release**);
- the English language version of the press release published on 27 April 2018 relating to the appointment of François Riahi as CEO of Natixis (the **NATIXIS 27/04/2018 Press Release**);
- the annual financial statements of Natixis Structured Issuance SA covering the period from 31 December 2016 until 31 December 2017 (the **NSI 2017 Annual Accounts**);
- the annual financial statements of Natixis Structured Issuance SA covering the period from 31 December 2015 until 31 December 2016 (the **NSI 2016 Annual Accounts**);
- the English language version of the 2017 NATIXIS Registration Document (the **2017 NATIXIS Registration Document**) excluding the statement of Laurent Mignon at page 476;
- the English language version of the 2016 NATIXIS Registration Document (the **2016 NATIXIS Registration Document**) excluding the statement of Laurent Mignon at page 484;
- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes and the Annex Relating to Custom Indices at pages 72 to 404, 410 to 542 and 543 to 568 (respectively) of the Base Prospectus dated 21 February 2014;
- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes and the Annex Relating to Proprietary Indices at pages 73 to 457, 463 to 598 and 599 to 611 (respectively) of the Base Prospectus dated 16 September 2014;
- the amendment to the Terms and Conditions of the Notes at pages 2 and 3 of the supplement dated 21 October 2014 to the Base Prospectus dated 16 September 2014;

- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes and the Annex Relating to Proprietary Indices at pages 79 to 472, 478 to 616 and 617 to 630 (respectively) of the Base Prospectus dated 8 June 2015;
- the amendment to the Terms and Conditions of the Notes at pages 2 and 3 of the supplement dated 2 July 2015 to the Base Prospectus dated 8 June 2015;
- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes, the Annex Relating to Proprietary Indices and the Form of Final Terms at pages 95 to 516, 526 to 728, 729 to 744 and 816 to 985 (respectively) of the Base Prospectus dated 29 December 2015;
- the amendment to the Terms and Conditions of the Notes at pages 9 and 10 of the supplement dated 27 April 2016 to the Base Prospectus dated 29 December 2015;
- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes, the Annex Relating to Proprietary Indices, the Form of Final Terms and the Annex to the Final Terms in relation to the Additional Terms and Conditions of the Notes at pages 106 to 545, 551 to 749, 750 to 792, 865 to 941 and 942 to 1038 (respectively) of the Base Prospectus dated 20 December 2016;
- the amendments to the Additional Terms and Conditions of the Notes and the Form of Final Terms at pages 2 and 3 of the supplement dated 28 December 2016; and
- the Terms and Conditions of the Notes, the Additional Terms and Conditions of the Notes, the Annex Relating to Proprietary Indices, the Form of Final Terms and the Annex to the Final Terms in relation to the Additional Terms and Conditions of the Notes at pages 115 to 574, 581 to 795, 796 to 839, 912 to 989 and 990 to 1091 (respectively) of the Base Prospectus dated 22 June 2017.

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

For the avoidance of doubt, (i) non-incorporated parts of the documents listed above and (ii) documents incorporated by reference into the documents listed above are not incorporated by reference pursuant to article 28.4 of Commission Regulation (EC) No 809/2004 of 29 April 2004 (as amended) as they are not relevant for an investor or are covered elsewhere in the Base Prospectus. Any websites included in this Base Prospectus are for information purposes only and do not form part of this Base Prospectus.

Copies of documents deemed to be incorporated by reference in this Base Prospectus may be obtained free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted) from the date hereof at the registered office of the relevant Issuer and the specified office of the Fiscal Agent, the Registrar and the Paying Agents. Such documents shall also be available to view on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

Annex XI ref: **CATEGORY OF INFORMATION**

## **1. STATUTORY AUDITORS**

### **1.1 *Names and addresses of NATIXIS' auditors for the period covered by the historical financial information (together with their membership in a professional body).***

PriceWaterhouseCoopers Audit (63 rue de Villiers, 92208 Neuilly-sur-Seine), Deloitte & Associés (185 avenue Charles de Gaulle, 92524 Neuilly-sur-Seine, Cedex) and Mazars (61 rue Henri Régault, 92075 Paris-La-Défense, Cedex), statutory auditors of NATIXIS, have audited and rendered an unqualified audit report on the accounts of NATIXIS for each of the years ending 31 December 2017 and 31 December 2016. PriceWaterhouseCoopers Audit, Deloitte & Associés and Mazars carry out their duties in accordance with the principles of *Compagnie Nationale des Commissaires aux Comptes* (CNCC).

Page 321 of the 2017 NATIXIS Registration Document

Names and addresses of Natixis Structured Issuance SA's statutory auditor (*réviseur d'entreprises agréé*) for the period covered by the historical financial information (together with their membership in a professional body).

Mazars Luxembourg, 10A, Rue Henri M. Schnadt, L-2530 Luxembourg have audited and rendered an unqualified audit report on the accounts of Natixis Structured Issuance SA for the years ending 31 December 2015 and 31 December 2016. Mazars Luxembourg belongs to the Luxembourg institute of auditors (*Institut des réviseurs d'entreprises*).

**1.2 *If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, details if material.***

Since the General Shareholders' Meeting of May 24, 2016, PriceWaterhouseCoopers Audit has been appointed to replace KPMG Audit as statutory auditor.

**2. RISK FACTORS**

Prominent disclosure of risk factors that may affect NATIXIS' ability to fulfil its obligations under the securities to investors.

Pages 99 to 176 of the 2017 NATIXIS Registration Document.

**3. INFORMATION ABOUT NATIXIS**

**3.1 History and development of NATIXIS**

**(a) *The legal and commercial name of NATIXIS:***

Page 440 of the 2017 NATIXIS Registration Document

**(b) *The place of registration of NATIXIS and its registration number:***

Page 440 of the 2017 NATIXIS Registration Document

**(c) *The date of incorporation and the length of life of NATIXIS:***

Page 440 of the 2017 NATIXIS Registration Document

**(d) *The domicile and legal form of NATIXIS, the legislation under which NATIXIS operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office)***

Page 440 and the last page of the 2017 NATIXIS Registration Document:

**(e) Any recent events particular to NATIXIS which are to a material extent relevant to the evaluation of NATIXIS' solvency**

Pages 179 to 182 of the 2017 NATIXIS Registration Document

**4. BUSINESS OVERVIEW**

**4.1 Principal activities:**

**(a) *Brief description of NATIXIS' principal activities stating the main categories of products sold and/or services performed:***

Pages 14 to 29 of the 2017 NATIXIS Registration Document

**(b) *Indication of any significant new products and/or activities:***

Pages 14 to 29 of the 2017 NATIXIS Registration Document

**(c) *Brief description of the principal markets in which NATIXIS competes:***

Pages 293 to 299 of the 2017 NATIXIS Registration Document

- (d) *The basis for any statements in the registration document made by NATIXIS regarding its competitive position:*

Pages 14 to 29 of the 2017 NATIXIS Registration Document

## 5. ORGANISATIONAL STRUCTURE

- 5.1 **Brief description of the Group and of NATIXIS' position within it:**

Pages 8, 9 and 11 of the 2017 NATIXIS Registration Document

- 5.2 **If NATIXIS is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence:**

Pages 8, 9, 11, 217 to 221, 323 to 337, 452 and 453 of the 2017 NATIXIS Registration Document

## 6. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

- 6.1 **Names, business addresses and functions in NATIXIS of the following persons, and an indication of the principal activities performed by them outside NATIXIS where these are significant with respect to NATIXIS:**

Members of the administrative, management or supervisory bodies:

Pages 35 to 83 of the 2017 NATIXIS Registration Document

- 6.2 **Potential conflicts of interest between any duties to NATIXIS of the persons referred to in the immediately preceding item and their private interests and/or other duties:**

Page 83 of the 2017 NATIXIS Registration Document

## 7. MAJOR SHAREHOLDERS

- 7.1 **To the extent known to NATIXIS, state whether NATIXIS is directly or indirectly owned or controlled and by whom, and describe the nature of such control, and describe the measures in place to ensure that such control is not abused:**

Pages 450 to 453 of the 2017 NATIXIS Registration Document

- 7.2 **A description of any arrangements, known to NATIXIS, the operation of which may at a subsequent date result in a change of control of the issuer:**

Page 453 of the 2017 NATIXIS Registration Document

## 8. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES

With regard to the following historical financial information regarding NATIXIS reference is made to the following pages of the documents incorporated by reference:

Information incorporated by reference	Pages of document incorporated by reference
<b>Natixis Second Quarter unaudited financial statements for the period ended 30 June 2018</b>	
Second-Quarter and First Semester Results	Pages 1 to 9 of the NATIXIS 2018 Q2 Press Release
Financial Structure	Page 10 of the NATIXIS 2018 Q2 Press Release



<b>Information incorporated by reference</b>	<b>Pages of document incorporated by reference</b>
Appendices	Pages 11 to 24 of the NATIXIS 2018 Q2 Press Release
<b>NATIXIS first quarter unaudited financial statements for the period ended 31 March 2018</b>	
First Quarter Results	Page 1 to 5 of the NATIXIS 2018 Q1 Press Release
Financial Structure	Page 6 of the NATIXIS 2018 Q1 Press Release
Appendices	Pages 7 to 20 of the NATIXIS 2018 Q1 Press Release
<b>Natixis audited consolidated financial statements for the period ended 31 December 2017</b>	
Consolidated Balance Sheet	Pages 194 to 195 of the 2017 NATIXIS Registration Document
Consolidated Income Statement	Page 196 of the 2017 NATIXIS Registration Document
Net Cash Flow Statement	Pages 200 to 201 of the 2017 NATIXIS Registration Document
Notes	Pages 202 to 337 of the 2017 NATIXIS Registration Document
Statement of Net Income/(Loss) and other comprehensive income	Page 197 of the 2017 NATIXIS Registration Document
Statement of changes in shareholders' equity	Pages 198 to 199 of the 2017 NATIXIS Registration Document
Free English language translation (prepared by NATIXIS) of the Statutory Auditors' report on the condensed financial information	Pages 338 to 343 of the 2017 NATIXIS Registration Document
<b>NATIXIS audited consolidated financial statements for the period ended 31 December 2016</b>	
Consolidated Balance Sheet	pages 204 to 205 of the 2016 NATIXIS Registration Document
Consolidated Income Statement	page 206 of the 2016 NATIXIS Registration Document

<b>Information incorporated by reference</b>	<b>Pages of document incorporated by reference</b>
Net Cash Flow Statement	pages 210 to 211 of the 2016 NATIXIS Registration Document
Notes	pages 212 to 348 of the 2016 NATIXIS Registration Document
Statement of Net Income/(Loss), gains and losses recorded directly in equity	page 207 of the 2016 NATIXIS Registration Document
Statement of changes in shareholders' equity	pages 208 to 209 of the 2016 NATIXIS Registration Document
Free English language translation (prepared by NATIXIS) of the Statutory Auditors' report on the condensed financial information	pages 349 to 350 of the 2016 NATIXIS Registration Document

NATIXIS is responsible for the free English language translation of the Statutory Auditors' Audit Reports.

With regard to the following historical financial information regarding Natixis Structured Issuance, reference is made to the following pages of the documents incorporated by reference:

<b>Information incorporated by reference</b>	<b>Page of document incorporated by reference</b>
<b>Natixis Structured Issuance SA annual accounts for the financial year ended 31 December 2017</b>	
Audit Report on Annual Accounts	Pages 4 to 7 of the NSI 2017 Annual Accounts
Balance Sheet	Pages 8 to 12 of the NSI 2017 Annual Accounts
Profit and loss account	Pages 13 and 14 of the NSI 2017 Annual Accounts
Notes	Pages 15 to 31 of the NSI 2017 Annual Accounts
<b>Natixis Structured Issuance SA annual accounts for the financial year ended 31 December 2016</b>	
Balance Sheet	pages 7 to 11 of NSI 2016 Annual Accounts
Profit and loss account	pages 12 to 13 of NSI 2016 Annual Accounts
Notes	page 14 to 26 of NSI 2016 Annual Accounts
Audit Report	pages 5 to 6 of NSI 2016 Annual Accounts
Net Cash Flow Statement	page 24 of NSI 2016 Annual Accounts

### **Legal and arbitration proceedings**

*Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which NATIXIS is aware), during a period covering at least the*

*previous 12 months which may have, or have had in the recent past, significant effects on NATIXIS and/or the group's financial position or profitability, or provide an appropriate negative statement.*

Pages 167 to 169 of the 2017 NATIXIS Registration Document

## **9. MATERIAL CONTRACTS**

A brief summary of all material contracts that are not entered into in the ordinary course of NATIXIS' business, which could result in any group member being under an obligation or entitlement that is material to NATIXIS' ability to meet its obligation to security holders in respect of the securities being issued.

None

**The information incorporated by reference below is considered as additional information to be disclosed to investors and is not required by the relevant annexes of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended from time to time:**

- articles of incorporation of NATIXIS;
- articles of incorporation of Natixis Structured Issuance SA;

Possible disclaimers in the documents incorporated by reference shall be no restriction of the responsibility statement within the meaning of the Prospectus Act 2005. Information that is marked as "pro forma" in the documents incorporated by reference is not pro forma financial information within the meaning of No. 20.2 of Annex I in conjunction with Annex II of the Commission Regulation (EC) No. 809/2004 of 29th April 2004, as amended from time to time.

### **Supplement to the Base Prospectus**

Each Issuer has given an undertaking to the Dealers that if at any time during the duration of the Programme there is any significant new factor, material mistake or inaccuracy relating to information contained in this Base Prospectus the inclusion or correction of which would reasonably be required by investors, and would reasonably be expected by them to be found in this Base Prospectus, for the purpose of making an informed assessment of its assets and liabilities, financial position, profits and losses and prospects and the rights attaching to the Notes (including for this purpose a change in the Terms and Conditions set out under "*Terms and Conditions of the Notes*"), it shall prepare a supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of Notes and shall supply to each of the Dealers such number of copies of such supplement hereto as such Dealers may reasonably request. Any supplement to the Base Prospectus will be approved by the CSSF.

### **Issue of Notes**

Notes will be issued in series (each a **Series**) having one or more Issue Dates and (except in respect of the first payment of interest) on terms otherwise identical, the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a **Tranche**) on the same or different Issue Dates. The specific terms of each Tranche save in respect of the Issue Date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in the relevant final terms (the **Final Terms**)."

## TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES

- The reference to “Condition 10” in Condition 6(m) on page 151 of the Base Prospectus under the heading “*Redemption for Force Majeure Event and Significant Alteration Event*” is hereby deleted and replaced in its entirety by a reference to “Condition 14”.
- The reference to “General Condition 14” in Condition 6(o)(ii) on page 153 of the Base Prospectus under the heading “*Redemption for Administrator/Benchmark Event*” is hereby deleted and replaced in its entirety by a reference to “Condition 14”.
- The subparagraphs (c) and (d) appearing in Condition 7(c) on page 157 of the Base Prospectus after the words “*A Noteholder’s entitlement to any Physical Delivery Amount will be evidenced:*” are hereby deleted and replaced in their entirety by the following:

“

- (a) by the Noteholder's account balance appearing on the records of the relevant Clearing System; and/or
- (b) if necessary, the number of Notes held by each Noteholder as notified to the Fiscal Agent by the relevant Clearing System.”

## TERMS AND CONDITIONS OF STRUCTURED NOTES

Conditions 17, 19, 20, 21, 22, 23 and 24 (on pages 218, 268, 312, 338, 357, 384 and 414 of the Base Prospectus, respectively) are hereby deleted in their entirety and replaced by the conditions set out in Annex 1 (with the changes to the Base Prospectus showing in blackline).

The following definition is added to each of Condition 29.1 (at page 513 of the Base Prospectus) and Condition 29.2 (at page 571 of the Base Prospectus):

**“Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or their respective affiliates) at any time with respect to the Credit Linked Notes, including without limitation the purchase and/or sale of any securities, any derivatives, any options or futures on such securities or any indices, any depositary receipts or exchange traded funds in respect of such securities or indices and any associated foreign exchange or financing transactions.”

The definition of Reference Entity Coupon in each of Condition 29.1(g) (at page 523 of the Base Prospectus) and Condition 29.2 (at page 590 of the Base Prospectus) shall be deleted in its entirety and replaced by the following:

**“Reference Entity Coupon** means, for the purposes of Basket CLNs, the coupons for each of the Reference Entities as specified in the applicable Final Terms.”

The definition of Credit Linked Specified Currency in Condition 29.1(g) at page 507 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

**“Credit Linked Specified Currency** means the currency or currencies stipulated as such in the applicable Final Terms in relation to a Reference Obligation of a Reference Entity denominated in such currency or currencies (or, if "*Credit Linked Specified Currency*" is specified in the applicable Final Terms without any currency being specified, any of the Standard Reference Currencies, and/or if “As specified in Physical Settlement Matrix for the Transaction Type” is specified in the applicable Final Terms then any reference to Specified Currency in the Physical Settlement Matrix shall be deemed to be a reference to Credit Linked Specified Currency).”

The definition of Credit Linked Specified Currency in Condition 29.2(g) at page 562 of the Base Prospectus shall be deleted in its entirety and replaced by the following:

**“Credit Linked Specified Currency** means the currency or currencies stipulated as such in the applicable Final Terms in relation to a Reference Obligation of a Reference Entity denominated in such currency or currencies (or, if "*Credit Linked Specified Currency*" is specified in the applicable Final Terms without any currency being specified, any of the Standard Specified Currencies and/or if “As specified in Physical Settlement Matrix for the Transaction Type” is specified in the applicable Final Terms then any reference to Specified Currency in the Physical Settlement Matrix shall be deemed to be a reference to Credit Linked Specified Currency), provided that, if the euro is a Credit Linked Specified Currency, "*Credit Linked Specified Currency*" shall also include an obligation that was previously payable in euro, regardless of any redenomination thereafter if such redenomination occurred as a result of action taken by a Governmental Authority of a Member State of the European Union which is of general application in the jurisdiction of such Governmental Authority.”

**ADDITIONAL TERMS AND CONDITIONS**

The following shall be added at the end of Calculation Formulae Applicable to Credit Linked Notes on page 657:

“Single Entity Negative Basis Note with European Settlement .....876

Basket Negative Basis Note with European Settlement .....877”

## RECENT DEVELOPMENTS

The content appearing under the heading “*Recent Developments*” on page 1200 of the Base Prospectus is deleted and replaced as follows:

“By a decision of the Chief Executive Officer of NATIXIS on 27 July 2018, the new NATIXIS share capital is € 5,040,461,747.20 divided into 3,150,288,592 fully paid up shares of €1.60 each.

Other than as mentioned above, there have been no recent developments in relation to NATIXIS since 31 December 2017.

There have been no recent developments in relation to Natixis Structured Issuance SA since 31 December 2017.”

## GENERAL INFORMATION

From the date of this Supplement, paragraph item (3)(b) of the section entitled “**GENERAL INFORMATION**” appearing on pages 1201 through to 1203 of the Base Prospectus is deleted and replaced as follows:

“There has been no significant change in the financial or trading position of NATIXIS and/or it and its subsidiaries taken as a whole (the **Group**) since 30 June 2018 and there has been no material adverse change in the prospects of the Group since 31 December 2017.”



## ANNEX 1

### 17. Terms for Equity Linked Notes (single share)

This Condition applies if and as specified in the applicable Final Terms.

#### (a) *General Definitions*

**Barrier Price** means the price per Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Company** means the issuer of the Share or, as the case may be, of the Underlying Share as specified in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 17(f) (Particular Provisions) below.

**Depository Receipt** or **DR** means a negotiable financial instrument with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms issued by the DR Sponsor pursuant to the relevant Deposit Agreement evidencing ownership of a specified number of Underlying Shares in the Company on deposit with a custodian in the issuer's home market and quoted in the DR Specified Currency, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Deposit Agreement** means the agreement(s) or other instrument(s) constituting the Depository Receipt, as from time to time amended or supplemented in accordance with its (their) terms.

**DR Specified Currency** means the currency specified as such in the applicable Final Terms.

**DR Sponsor** means the depository bank, as determined by the Calculation Agent, issuing the Depository Receipt.

**ETF Administrator** means the administrator, trustee or other similar person with the primary administrative responsibilities for the ETF as determined by the Calculation Agent, subject to adjustment from time to time in accordance with the provisions as set out in Condition 17(f) (Particular Provisions) below.

**ETF Adviser** means the person appointed in the role of investment manager or investment adviser of the ETF as determined by the Calculation Agent, subject to adjustment from time to time in accordance with the provisions as set out in Condition 17(f) (Particular Provisions) below.

**ETF Minimum Tradable Quantity** means the number specified as such in the applicable Final Terms.

**ETF Underlying Index** means the benchmark index or asset(s) to which such ETF is linked, subject to adjustment from time to time in accordance with the provisions as set out in Condition 17(f) (Particular Provisions) below.

**Exchange** means the exchange or quotation system where the Share is mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in the Share has temporarily relocated (provided that the Calculation Agent has determined, in its sole and absolute discretion, that there is comparable

liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means any Scheduled Trading Day on which the Exchange and, if any, the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Exchange Traded Fund or ETF** means a fund or other pooled investment vehicle specified as such in the applicable Final Terms the Units of which are listed on the Exchange, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Final Price** means either:

- (A) for a Share other than a Share traded on any Japanese exchange:
  - (i) in respect of any Valuation Date, the price per Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Valuation Date; OR
  - (ii) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Share is valued (with halves being rounded up)) of the Relevant Prices on each of such Averaging Dates; OR
- (B) for a Share traded on any Japanese exchange:
  - (i) in respect of any Valuation Date, the last traded price per Share for the day quoted by the Exchange on such Valuation Date, provided however, that if there is a closing special quote per Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Final Price; OR
  - (ii) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Share is valued (with halves being rounded up)) of the Relevant Prices on each of such Averaging Dates.

**Initial Price** means the price per Share specified as such in the applicable Final Terms or, if no such price is specified in the applicable Final Terms, the price of such Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on the Strike Date, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those brackets.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Relevant Price** means, in respect of any Averaging Date, either:

- (A) for a Share other than a Share traded on any Japanese exchange, the price per Share as determined by the Calculation Agent as of the Valuation Time on the Exchange on such Averaging Date; OR
- (B) for a Share traded on any Japanese exchange, the last traded price per Share for the day quoted by the Exchange on such Averaging Date, provided however, that if there is a closing special quote per Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Relevant Price.

**Related Exchange** means the exchange where futures or options contracts relating to the Share are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified in the applicable Final Terms or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Share has temporarily relocated (provided that the Calculation Agent has determined, in its sole and absolute discretion, that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

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

**Scheduled Trading Day** means any day on which the Exchange and the Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

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

**Share** means an ordinary share or stock in the capital of the Company or, as the case may be, a Depositary Receipt evidencing ownership of the Underlying Share or, as the case may be, a Unit in the Exchange Traded Fund with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Share Clearance System Settlement Disruption Event** means an event beyond the control of the Issuer as a result of which (i) the Share Clearance System cannot clear the transfer of the Shares or (ii) the Share Clearance System ceases to clear all or any of such Shares.

**Share Clearance System** means the principal domestic clearance system customarily used for settling trades in the Share at any relevant time, as determined by the Calculation Agent.

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

**Underlying Share** means the share issued by the Company to which the Depositary Receipt is linked.

**Unit** means a unit of account of ownership in the Exchange Traded Fund.

**Valuation Time** means the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date or Strike Date or Ultimate Strike Date or Ultimate Valuation Date or Ultimate Averaging Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

≥ means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

≤ means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

| | or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

<sup>n</sup> means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

**(b) Valuation**

(A) *Strike Date*

**Strike Date** means the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) below.

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

(B) *Valuation Date*

**Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) below.

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

(C) *Averaging Date*

**Averaging Date** means, in respect of any Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) below.

**Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) *Consequences of Disrupted Day(s)*

(A) *Definitions*

**Disrupted Day** means any Scheduled Trading Day on which the Exchange or, if any, the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**Early Closure** means the closure on any Exchange Business Day of the Exchange or, if any, the Related Exchange prior to its relevant Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or, if any, the Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**Exchange Disruption** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent, in its sole and absolute discretion) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Shares on the relevant Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Shares on the Related Exchange.

**Market Disruption Event** means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent, in its sole and absolute discretion, determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the price of the Share triggers respectively the Knock-in Price or the Knock-out Price or (b) in all other circumstances ends at the relevant Valuation Time, or (iii) an Early Closure.

**Trading Disruption** means any suspension of, or limitation imposed on, trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) relating to that Share on the relevant Exchange, or (ii) in futures or options contracts relating to that Share on the relevant Related Exchange.

(B) *Provisions*

(1) *Strike Date*

If the Strike Date is a Disrupted Day, then the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Initial Price shall be the Calculation Agent's good faith estimate of the value for the Share as of the Valuation Time on the Ultimate Strike Date.

**Ultimate Strike Date** means the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Valuation Date

If any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Final Price shall be the Calculation Agent's good faith estimate of the value for the Share as of the Valuation Time on that Ultimate Valuation Date.

**Ultimate Valuation Date** means, in respect of any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) Averaging Dates

If any Averaging Date is a Disrupted Day, then this Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Relevant Price in respect of that Averaging Date shall be the Calculation Agent's good faith estimate of the value for the Share as of the Valuation Time on the Ultimate Averaging Date.

**Ultimate Averaging Date** means, in respect of any Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but

for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) **Knock-in Event and Knock-out Event**

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the price of the Share triggers the Knock-in Price or the Knock-out Price, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

(d) ***Knock-in Event and Knock-out Event***

(A) ***Knock-in Event***

**Knock-in Event** means that the price of the Share determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment and/or delivery under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Price** means the price per Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Day** means each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day

Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means that the price of the Share determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes, as specified in the applicable Final Terms, and/or payment and/or delivery under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Price** means the price per Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Day** means each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 17(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.



(e) **Automatic Early Redemption**

(A) **Definitions**

**Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Share Price is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Price** means the price per Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) below.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Share Price** means either:

(A) for a Share other than a Share traded on any Japanese exchange:

- (i) in respect of any Automatic Early Redemption Valuation Date, the price per Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Automatic Early Redemption Valuation Date; OR
- (ii) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Share is valued (with halves being rounded up)) of the Specified Prices of such Share on each of such Automatic Early Redemption Averaging Dates; OR

(B) for a Share traded on any Japanese exchange:

- (i) in respect of any Automatic Early Redemption Valuation Date, the last traded price per Share for the day quoted by the Exchange on such Automatic Early Redemption Valuation Date, provided however, that if there is a closing special quote per Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Share Price; OR
- (ii) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Share is valued (with halves being rounded up)) of the Specified Prices of such Share on each of such Automatic Early Redemption Averaging Dates.

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

**Specified Price** means, in respect of any Automatic Early Redemption Averaging Date, either:

- (A) for a Share other than a Share traded on any Japanese exchange, the price per Share as determined by the Calculation Agent as of the Valuation Time on the Exchange on such Automatic Early Redemption Averaging Date; OR
- (B) for a Share traded on any Japanese exchange, the last traded price per Share for the day quoted by the Exchange on such Automatic Early Redemption Averaging Date, provided however, that if there is a closing special quote per Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Specified Price.

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each

of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Share Price shall be the Calculation Agent's good faith estimate of the value for the Share as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date.

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Specified Price in respect of that Automatic Early Redemption Averaging Date shall be the Calculation Agent's good faith estimate of the value for the Share as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date.

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) *Particular Provisions*

(A) *Potential Adjustment Events*

(1) Definitions

**Potential Adjustment Event** means, with respect to any Company and/or any Share, any of the following as determined by the Calculation Agent:

- (i) a subdivision, consolidation or reclassification of Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) a dividend which the Calculation Agent determines, in its sole discretion and acting in good faith and in a commercially reasonable manner, should (in whole or part) be characterised as an extraordinary dividend;
- (iv) a call by the Company in respect of Shares that are not fully paid;
- (v) a repurchase by the Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

(2) Consequences

- (i) If a Potential Adjustment Event occurs from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent will promptly determine, in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of that Share and, if so, will:

- (I) make such adjustment(s), if any, to any one or more of the Barrier Price and/or the Trigger Price and/or the Initial Price and/or the Knock-in Price and/or the Knock-out Price and/or the Automatic Early Redemption Price and/or (if Redemption by Physical Delivery) the Relevant Number of Shares and/or any of the other relevant terms of the Notes that the Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for that diluting or concentrative effect; and
- (II) determine, in its sole and absolute discretion, the effective date(s) of such adjustment(s).

The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on such Share traded on such options exchange.

- (ii) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines (with reference as the case may be to the adjustment method of the Related Exchange on which options on the Shares are traded) that the theoretical change in value of any Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to one per cent. of the value of that property immediately before the occurrence of that event or those events.
- (iii) No adjustments to the property comprised within any Share will be required other than those specified above. However, the Issuer may cause the Calculation Agent to make additional adjustments to the property comprised within any Share to reflect changes occurring in relation to such property in other circumstances where the Issuer determines, in its sole and absolute discretion, that such changes are appropriate.

(B) *Correction of Share Price*

In the event that any price published on the Exchange and which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction (the **Corrected Value**) is published by the relevant Exchange within one relevant Settlement Cycle after the original publication, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary, the Calculation Agent may adjust any relevant terms accordingly.

(C) *Merger Events and Tender Offers*

- (1) Definitions

**Combined Consideration** means New Shares in combination with Other Consideration.

**Merger Date** means the closing date of a Merger Event (as determined by the Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**Merger Event** means any (i) reclassification or change of the Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of the Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of the Company or its subsidiaries with or into another entity in which the Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **Reverse Merger**).

**Minimum Percentage** means 10% or the percentage specified as such in the applicable Final Terms.

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

**Other Consideration** means cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the Company) involved in the Merger Event or the making of the Tender Offer or a third party).

**Tender Offer** means a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, greater than the Minimum Percentage and less than 100% of the outstanding voting shares of the Company, as determined by the Calculation Agent, acting in its sole and absolute

discretion, based upon the making of filings with governmental or self regulatory agencies or such other information as the Calculation Agent deems relevant.

**Tender Offer Date** means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

(2) Consequences

If the Calculation Agent determines, in its sole and absolute discretion, that a Merger Event or a Tender Offer, has occurred at any time from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, it shall forthwith notify the Issuer of the occurrence of such event and the relevant Merger Date or, as the case may be, Tender Offer Date and, if Essential Trigger is specified as not applicable in the applicable Final Terms, ~~and~~ the Issuer may elect on or after the Merger Date or, as the case may be, the Tender Offer Date:

- (i) in the case where the Share continues to be listed and traded on the Exchange, to retain such Share as the underlying share to which the Notes are linked, subject to any adjustments to the terms of the Notes as the Calculation Agent determines appropriate;

OR (but not and)

- (ii) to require the Calculation Agent (a) to make such adjustment(s) to the redemption, payment or any other terms of the Notes as the Calculation Agent considers to be appropriate to account for the economic effect on the Notes of such Merger Event or Tender Offer (including, without limitation, (A) the replacement of the Share by the number of New Shares and/or the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of a Share would be entitled upon consummation of the Merger Event or the Tender Offer and/or (B) the adjustment to the Barrier Price and/or the Trigger Price and/or the Initial Price and/or the Knock-in Price and/or the Knock-out Price and/or the Automatic Early Redemption Price and/or (if Redemption by Physical Delivery) the Relevant Number of Shares and/or any of the other relevant terms of the Notes that the Calculation Agent determines to be appropriate to account for such replacement) and (b) to determine, in its sole and absolute discretion, the effective date of such adjustment(s).

If a holder of Shares could make an election as between different components of the New Shares and/or Other Consideration, the Calculation Agent shall make, in its sole and absolute discretion, such election for the purposes of this sub-paragraph (ii).

In the case of Combined Consideration, the Calculation Agent may, in its sole and absolute discretion, determine that the Share shall be

replaced by the number of New Shares equal to the sum of (a) the number of New Shares, which originally formed part of the Combined Consideration together with (b) the number of additional New Shares that could be purchased using the value on the Merger Date or, as the case may be, the Tender Offer Date of the Other Consideration.

In the event that the consideration for the Share consists of more than any one type of share or security, the Calculation Agent may determine that the Share will be comprised of some but not all of such considerations (the **Retained Consideration**), and that the balance of the consideration shall not be so retained for purposes of comprising the Share (the **Non Retained Consideration**); provided, however, that an adjustment shall be made to the Retained Consideration comprising the Share so as to take into account the value of the Non Retained Consideration. The foregoing adjustment shall be made with reference to the values of the Retained Consideration and Non Retained Consideration in accordance with the quotations (if any) of the Retained Consideration and the Non Retained Consideration, respectively, made on the first Exchange Business Day following the Merger Date or, as the case may be, the Tender Offer Date and otherwise as the Calculation Agent may reasonably determine;

OR (but not and)

- (iii) if Monetisation is specified as applicable in the relevant Final Terms, to apply the Monetisation provisions set forth in paragraph 17(f)(F) below;

OR (but not and)

- (iv) if so specified as applicable in the relevant Final Terms, to redeem all (but not some only) of the Notes on the tenth Business Day following the Merger Date or, as the case may be, the Tender Offer Date (such date being an **Early Redemption Date**) at the Early Redemption Amount determined by the Calculation Agent as of the Merger Date or, as the case may be, the Tender Offer Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. In such event, the Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to



this Condition 17 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 17 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 of the Terms and Conditions of the French Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 17 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 17 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(D) *Additional Adjustment Events*

(1) Definitions

**Additional Adjustment Events** means each of a Delisting, an Insolvency Filing, a Nationalisation and/or a Change in Law, a Hedging Disruption or an Increased Cost of Hedging as defined below.

**Change in Law** means that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, regulation or order or any regulation, rule or procedure of any exchange (an **Applicable Regulation**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer or NATIXIS determines that (X) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Delisting** means that the Exchange announces that, pursuant to the rules of the Exchange, the Share ceases (or will cease) to be listed, traded or publicly quoted on the Exchange for any reason (other than a Merger Event or Tender Offer) and is not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is in the European Union, in any member state of the European Union).

**Hedge Positions** means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by NATIXIS in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

**Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements at any time with respect to the Notes, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**Hedging Disruption** means, where specified as applicable in the relevant Final Terms, that NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms, that NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements shall not be deemed an Increased Cost of Hedging.

**Insolvency Filing** means that the Company (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors, (d) institutes or has instituted against it proceedings seeking a judgment of insolvency or

bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceedings or petition instituted or presented against it, such proceedings or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter, or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

**Nationalisation** means that all the Shares or all the assets or substantially all the assets of the Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

(2) Consequences

If the Calculation Agent determines, in its sole and absolute discretion, that an Additional Adjustment Event has occurred in respect of the Share or the Company from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, it shall forthwith notify the Issuer of such event and, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Issuer may elect either:

(i) to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes (including, without limitation, the good faith estimate by the Calculation Agent of the value of the Share before the effective date of such event) as it, in its sole and absolute discretion, considers to be appropriate, and determine the effective date of such adjustment(s); or

(ii) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:(a) — applying~~ apply the Monetisation provisions set forth in paragraph 17(f)(F) below;~~or~~

~~(b) — requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (3) below;~~

(iii) ~~(3)~~ to redeem all (but not some only) of the Notes on the tenth Business Day (such day being an **Early Redemption Date**) following the day (or, if such day is not a Business Day, the first Business Day following the day) on which the Issuer receives notice from the Calculation Agent that such Additional Adjustment Event has occurred (such day being a **Notification Date**). The Notes shall be redeemed on the Early Redemption Date at the Early Redemption Amount determined by the Calculation Agent as of the Notification Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. The Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 17 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 17 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 of the Terms and Conditions of the French Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 17 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 17 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(E) *Miscellaneous*

- (i) If more than one of the events set out above occurs, the adjustments (if any) to the terms of the Notes for the second and subsequent events shall be to the terms of the Notes as adjusted for preceding events.
- (ii) In the event that a determination is made that the Notes will be settled by Redemption by Physical Delivery and on or after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day (but before the Settlement Date) a Potential Adjustment Event, a Merger Event or an Additional Adjustment Event occurs, then the Issuer shall be entitled (but not obliged) upon immediate notice to the Noteholders to (i) delay the Settlement Date to such date that falls five Business Days following such event and (ii) cause the property comprising the Relevant Number of Shares to be thereupon adjusted in accordance with the provisions hereof.
- (iii) As soon as reasonably practicable under the circumstances after making any adjustment or modification to the terms of the Notes in accordance with these Conditions, whether in the exercise of its own discretion or at the request of the Issuer, the Calculation Agent will give notice thereof to the Issuer and to the Paying Agent whereupon the Issuer or the Paying Agent shall notify the Noteholders of such adjustment or modification in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes.

(F) *Monetisation*

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and a Monetisation Event occurs but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and/or Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) equal to the product of:

- (i) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (ii) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Notes interest amount, for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 17(f)(F):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in Condition 17(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in Condition 17(f) (Particular Provisions).

**Monetisation Formula** means the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n)(Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

(G) *Additional Provisions applicable to Depositary Receipt*

If the Share specified in the applicable Final Terms is a Depositary Receipt and if Condition 17(f)(G) is specified as applicable in the applicable Final Terms, then the following provisions shall apply:

- (i) The definition of "*Potential Adjustment Event*" in Condition 17(f)(A)(1) shall include:
    - (I) the occurrence of any Potential Adjustment Event in relation to the Underlying Share represented by the Share; and
    - (II) the making of any amendment or supplement to the terms of the Depositary Agreement.
  - (ii) The definition of "*Merger Event*" in Condition 17(f)(C)(1) shall include the occurrence of any Merger Event in relation to the Underlying Share.
  - (iii) The definitions of "*Nationalisation*" and "*Insolvency Filing*" in Condition 17(f)(D)(1) shall be construed in relation to the Share as if reference to the Share were references to the Underlying Share.
  - (iv) If the Deposit Agreement is terminated, then on or after the date of such termination, references to the Share herein shall be replaced by references to the Underlying Share and the Calculation Agent will adjust, in its sole and absolute discretion, any relevant terms and will determine the effective date of such replacement and adjustments.
  - (v) The definitions of "*Market Disruption Event*" in Condition 17(c)(A) shall include the occurrence of a Market Disruption Event in relation to the Underlying Share.
- (H) *Additional Provisions applicable to Exchange Traded Fund*

If the Share specified in the applicable Final Terms is a Unit in an Exchange Traded Fund and if Condition 17(f)(H) is specified as applicable in the applicable Final Terms, then the following provisions shall apply:

- (i) Condition 17(f)(D)(1) shall include the following definitions:

**Adjustment to the ETF Underlying Index** means that if (i) the sponsor of the ETF Underlying Index makes a material change in the formula for or the method of calculating the ETF Underlying Index or in any other way materially modifies the ETF Underlying Index (other than a modification prescribed in that formula or method to maintain the ETF Underlying Index in the event of changes in constituent stock and capitalisation and other routine events) or (ii) the sponsor of the ETF Underlying Index fails to calculate and announce the ETF Underlying Index and no successor index using, in the determination of the Calculation Agent, a substantially similar formula for and method of calculation as used in the calculation of the ETF Underlying Index is announced and as a result there is a material change in the price of the Shares.

**Change of Investment Policy** means that the ETF Adviser of the Company effects or announces an intention to effect a change in the investment objectives, risk profile or investment guidelines of the Company in any material respect or makes any other material change to the terms and conditions of the Company such that the Shares cease to or are reasonably likely to cease to track the ETF Underlying Index.

**Liquidation** means that by reason of voluntary or involuntary liquidation or winding up of the ETF Administrator, the Shares are required to be transferred to a manager, trustee, liquidator or other similar official or holders of the Shares become legally prohibited from transferring them.

**Redemption of Shares** means that the Shares are redeemed in accordance with their terms or notice of such redemption is given to the holders of the Shares.

**Restrictions on Shares** means that the Shares cease to or are reasonably likely to cease to track the ETF Underlying Index by reason of (i) any failure by the ETF Adviser to act in accordance with the investment objectives, risk profile or investment guidelines of the Company, (ii) any restriction placed on the ability of the ETF Adviser to buy or sell shares or other property by any regulatory body, (iii) any limitation on the ability of the ETF Adviser to buy or sell shares or other property by reason of liquidity, adverse market conditions or decrease in the assets of the Company, and in any such case, in the opinion of the Calculation Agent, such situation is unlikely to be corrected within a reasonable period of time.

**Termination of ETF Adviser and/or ETF Administrator** means that (i) voluntary or involuntary liquidation, bankruptcy or any analogous insolvency proceedings including, for the avoidance of doubt, bankruptcy, civil rehabilitation proceedings, corporate reorganisation proceedings, company arrangement or special liquidation are commenced with respect to the ETF Adviser or the ETF Administrator or (ii) the appointment of the ETF Adviser or ETF Administrator of the Company is terminated in

accordance with its terms or notice of such termination is given to the holders of the Shares or (iii) the ETF Adviser or ETF Administrator of the Company fails to maintain or obtain, as the case may be, all required approvals and authorisations by the relevant financial and administrative authorities necessary to perform its obligations in respect of the Company and the Shares or (iv) it becomes illegal or impossible in the opinion of the Calculation Agent for the ETF Adviser or ETF Administrator of the Company to continue to act as ETF Adviser or ETF Administrator of the Company, and in any such case in the determination of the Calculation Agent no appropriate successor is appointed to act as adviser or administrator, as the case may be, of the Company.

- (ii) Condition 17(f)(D)(2) shall be construed as if reference to Additional Adjustment Events were also references to "*Adjustment to the ETF Underlying Index*", "*Change of Investment Policy*", "*Liquidation*", "*Redemption of Shares*", "*Restrictions on Shares*", "*Termination of Adviser and/or Administrator*" as defined above.
- (iii) The definition of "*Integral Number of Shares*" in Condition 17(g) is deleted and replaced by the following: "**Integral Number of Shares** means, in respect of each Note, an integral number of Shares equal to the Relevant Number of Shares rounded downwards to the ETF Minimum Tradable Quantity. For the avoidance of doubt the Integral Number of Shares as of the Issue Date is specified in the applicable Final Terms."
- (iv) The definition of "*Residual Cash Amount*" in Condition 17(g) is deleted and replaced by the following: "**Residual Cash Amount** means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Shares and (ii) the Ultimate Final Price divided by the Prevailing Exchange Rate (if any)."

**(g) *Redemption by Physical Delivery***

**(A) *Definitions***

**Clearance System** means indiscriminately the Share Clearance System, Clearstream or Euroclear.

**Clearance System Business Day** means any day on which each of Euroclear or Clearstream as the case may be, and the Share Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

**Clearstream** means, Clearstream Banking S.A. (or any successor thereof).

**Delivery Agent** means NATIXIS or such other agent as may be appointed by the Issuer, as specified in the relevant Final Terms which term shall include any successor or any agent acting on behalf thereof, as the case may be. The Delivery Agent will act solely as agent of the Issuer and will not assume any obligations to, or relationship of agency or trust for or with, the Noteholders. The Issuer reserves the right at any time to vary or terminate the appointment of the Delivery Agent and to appoint, or not, other Delivery Agents.

**Disruption Cash Settlement Price** means, in respect of any Note, an amount in the Specified Currency specified as such in the applicable Final Terms equal to the fair market value of a Note less (i) the Residual Cash Amount and (ii) the cost to the



Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent, in its sole and absolute discretion.

**Euroclear** means Euroclear S.A./N.V. (or any successor thereof).

**Integral Number of Shares** means, in respect of each Note, an integral number of Shares equal to the Relevant Number of Shares rounded downwards to the nearest integral number; except if "Notes to be aggregated for the purposes of determining the number of Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Integral Number of Shares*" shall be deemed not applicable. For the avoidance of doubt the Integral Number of Shares as of the Issue Date may be specified in the applicable Final Terms.

**Physical Delivery Reference Amount** means either (i) the Specified Denomination or (ii) the Final Redemption Amount, as specified in the applicable Final Terms.

**Physical Delivery Rounding Convention** means the method specified in the applicable Final Terms or, if such Physical Delivery Rounding Convention is not specified, the figure to be rounded shall be rounded upwards to the nearest third decimal.

**Prevailing Exchange Rate** means, in respect of any date specified in the applicable Final Terms, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Prevailing Exchange Rate (or a method for determining the Prevailing Exchange Rate).

**Relevant Number of Shares** means, in respect of each Note, a number of Shares equal to (i) the Physical Delivery Reference Amount multiplied by the Prevailing Exchange Rate (if any) divided by (ii) the Share Reference Price, subject to the Physical Delivery Rounding Convention and to adjustment from time to time in accordance with the provisions as set out in Condition 17(f) (Particular Provisions) above. For the avoidance of doubt, the Relevant Number of Shares as of the Issue Date may be specified in the applicable Final Terms.

**Residual Cash Amount** means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Shares and (ii) the Ultimate Final Price divided by the Prevailing Exchange Rate (if any).

**Residual Number of Shares** means, in respect of each Note, a number of Shares equal to (i) the Relevant Number of Shares minus (ii) the Integral Number of Shares; except if "Notes to be aggregated for the purposes of determining the number of Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Residual Number of Shares*" shall be deemed not applicable. For the avoidance of doubt, the Residual Number of Shares as of the Issue Date may be specified in the applicable Final Terms.

**Settlement Date** means the Maturity Date. If a Settlement Disruption Event does prevent delivery on that day, then the Settlement Date will be the first succeeding day on which delivery of the Integral Number of Shares can take place through the relevant Clearance System unless a Settlement Disruption Event prevents settlement on each of the five Clearance System Business Days immediately following the

original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, (a) if the Integral Number of Shares can be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then the Settlement Date will be the first day on which settlement of a sale of the Integral Number of Shares executed on that fifth Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed to be the relevant Clearance System for the purposes of delivery of the relevant Integral Number of Shares), and (b) if the Integral Number of Shares cannot be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then in lieu of physical settlement the Issuer may satisfy its obligations in respect of each of the relevant Notes by payment to the Noteholders of the Disruption Cash Settlement Price on the third Business Day following such fifth Clearance System Business Day. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the shares or securities comprised in the Relevant Number of Shares, the Settlement Date for shares or securities not affected by the Settlement Disruption Event will be the Maturity Date. In the event that a Settlement Disruption Event will result in the delivery on the Settlement Date of some but not all of the shares or securities comprised in the Relevant Number of Shares, the Calculation Agent shall determine in its sole discretion the appropriate pro rata portion of the Disruption Cash Settlement Price which the Issuer, to satisfy its obligations in respect of each of the relevant Notes to the extent the Issuer has not already done so by delivery of shares or securities comprised in the Relevant Number of Shares, will pay to the Noteholders on the third Business Day following the fifth Clearance System Business Day.

**Settlement Disruption Event** means an event beyond the control of the Issuer or the Delivery Agent as a result of which (i) Euroclear or Clearstream, as the case may be, or the Share Clearance System cannot clear the transfer of the Shares or (ii) Euroclear or Clearstream, as the case may be, or the Share Clearance System ceases to clear all or any of such Shares.

**Share Reference Price** means, as specified in the applicable Final Terms (i) the amount per Share specified as such in the applicable Final Terms, (ii) the Initial Price or (iii) the Ultimate Final Price.

**Ultimate Final Price** means the Final Price or, if there are several Valuation Dates, the Final Price in respect of the last Valuation Date.

(B) *Provisions*

- (i) In the case of Redemption by Physical Delivery, provided that notice of Redemption by Physical Delivery shall be made by the Calculation Agent or the Issuer to the Paying Agent and Euroclear and/or Clearstream, as the case may be, on or immediately after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day, each Noteholder shall not later than two Business Days before the Maturity Date (the **Delivery Notice Date**) (or on such earlier date as the Calculation Agent, acting in its sole discretion, shall determine is necessary for the Issuer and Euroclear and/or Clearstream, as the case may be, to perform their respective obligations under the Notes and which earlier date has been notified to the Issuer, and of which the Issuer shall then promptly inform Noteholders) send to Euroclear and/or Clearstream, as the

case may be (in accordance with its then applicable operating procedures and accepted methods of communication), an irrevocable notice designating its security and cash accounts for the purposes of Redemption by Physical Delivery and details of such accounts at Euroclear or Clearstream or the Share Clearance System (the **Delivery Notice**).

- (ii) Unless Essential Trigger is specified as applicable in the relevant Final Terms, the Issuer shall be under no obligation to compensate or indemnify the Noteholder(s) for any delay or failure on the part of the Issuer or the Delivery Agent to deliver or procure the delivery of the Integral Number of Shares on the Settlement Date and/or to pay or procure the payment of the Residual Cash Amount on the Maturity Date to the Noteholder(s) to the extent Euroclear and/or Clearstream, as the case may be, does not receive the Delivery Notice from the Noteholder(s) on (or before, as may be applicable) the Delivery Notice Date or, to the extent that for any reason Euroclear and/or Clearstream fail, or fail within any relevant period, to transmit (whether or not in accordance with its then applicable operating procedures and accepted methods of communication) any notice by or on behalf of the Issuer or the Delivery Agent to its participants. Without prejudice to the preceding sentence and paragraph (iv) below, in the event that Euroclear and/or Clearstream do not receive a Delivery Notice from a Noteholder on or before the tenth Business Day following the Maturity Date, the Issuer shall be entitled (but not obliged) to pay to such Noteholder, as soon as reasonably practicable on or following such date, an amount determined by the Calculation Agent in its sole and absolute discretion and notified to the Issuer, the Paying Agent, Euroclear and/or Clearstream, as the case may be (to be communicated by them to the relevant Noteholders) in writing promptly following such determination, equal to the fair market value of such Integral Number of Shares and/or the Residual Cash Amount at the date determined in good faith by the Issuer, in full satisfaction of its obligations under such Notes.
- (iii) A Delivery Notice once delivered to Euroclear or Clearstream, as the case may be, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note that is the subject of a Delivery Notice following delivery of such Delivery Notice to Euroclear or Clearstream, as the case may be.
- (iv) A Delivery Notice shall only be valid to the extent that Euroclear and/or Clearstream, as the case may be, have not received conflicting prior instructions in respect of the Notes that are the subject of the Delivery Notice. Failure properly and timely to provide a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly provided shall be made by Euroclear and/or Clearstream, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder. If a Delivery Notice has not been provided properly and timely, the Issuer or the Delivery Agent shall not be obliged to make any payment or delivery in respect of the Notes which are the subject of the Delivery Notice.
- (v) Receipt by Euroclear and/or Clearstream, as the case may be, of a valid Delivery Notice shall be deemed to constitute (i) written confirmation of an irrevocable election and undertaking by the relevant Noteholder to select the account at Euroclear or Clearstream or the Share Clearance System specified therein and (ii) an undertaking by the relevant Noteholder to pay any costs, applicable value added or sales taxes, transfer taxes, stamp duties and other taxes and duties due by reason of

delivery of the Integral Number of Shares to the account at Euroclear or Clearstream or the Share Clearance System or to reimburse Euroclear or Clearstream, as the case may be, or the Share Clearance System in respect of any such costs, taxes or duties.

- (vi) In the event that any Note is not represented by a Global Note or Global Certificate held on behalf of Euroclear or Clearstream, as the case may be, the Issuer or the Delivery Agent shall procure that notice shall be provided to the relevant Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes, describing the method by which an account at the Share Clearance System shall be irrevocably designated for such Noteholders and such designation shall be binding on the Issuer and such Noteholders.
- (vii) Upon receipt of such Delivery Notice, Euroclear and/or Clearstream, as the case may be, shall (a) verify that the person specified therein as the Noteholder is the holder of the specified nominal amount of Notes according to its books (provided that if such verification shows that such person is not the Noteholder according to its books, the Delivery Notice shall not be valid) and (b) shall, in accordance with its then applicable operating procedures, send a copy of the Delivery Notice to the Issuer, the Delivery Agent and such other persons as the Issuer or the Delivery Agent may previously have specified.
- (viii) The nominal amount of a number of Notes delivered by the same Noteholder for redemption shall not be aggregated for the purpose of determining the number of Shares to be delivered in respect of such Notes. However, if the paragraph "Notes to be aggregated for the purposes of determining the number of Shares to be delivered" is specified as applicable in the applicable Final Terms, then the Notes delivered by the same Noteholder for exchange shall be aggregated for the purpose of determining the number of Shares to be delivered in respect of such Notes. In such case, the Shares deliverable to a Noteholder in respect of the Notes held by it will be a whole number of Shares provided that where the number of Shares which would otherwise be deliverable hereunder includes a fraction of such Shares, the number of such Shares shall be rounded downwards to the nearest integral number and the cash equivalent of such fraction (the **Additional Cash Amount**) will be paid to this Noteholder. The Additional Cash Amount shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the above mentioned fraction and (ii) the Exchange traded price of the Share as of the close of trading on the Exchange on the date specified in the applicable Final Terms or, if such price is not available in the sole opinion of the Calculation Agent on such date, the price determined by the Calculation Agent in its sole and absolute discretion.
- (ix) Delivery of any Shares is subject to all applicable laws, regulations and practices and neither the Issuer nor the Delivery Agent shall incur any liability whatsoever if it is unable to deliver or procure the delivery of the Shares to the Noteholder because of any such laws, regulations or practices. Neither the Issuer nor the Delivery Agent shall under any circumstances be liable for any acts or defaults of Euroclear and/or Clearstream, as may be applicable, and/or the Share Clearance System in relation to the performance of the duties in relation to the Notes, including but not limited to the delivery of the Shares to the Noteholder.
- (x) After delivery by the Issuer or the Delivery Agent to the relevant Noteholder(s) through Euroclear and/or Clearstream, as may be applicable, and/or the Share

Clearance System of the Shares (if applicable) and for such period of time as the Issuer or its agent or nominee shall continue to be registered in any clearance system or otherwise as the owner of the Shares (the **Intervening Period**), neither the Issuer nor its agent or nominee shall:

- (I) be under any obligation to deliver to such Noteholder(s) or any subsequent beneficial owner of the Shares any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or its agent or nominee in its capacity as the holder thereof; or
  - (II) exercise any or all rights (including voting rights) attaching to such Shares or part thereof during the Intervening Period without the prior written consent of the relevant Noteholder(s), provided that neither the Issuer nor its agent or nominee shall be under any obligation to exercise any such rights during the Intervening Period; or
  - (III) be under any liability to such Noteholder(s) or any subsequent beneficial owner of the Shares in respect of any loss or damage which such Noteholder(s) or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of the Issuer or its agent or nominee being registered in such clearance system or otherwise during such Intervening Period as legal owner of the Shares.
- (xi) The Issuer or the Delivery Agent shall not be under any obligation to register or procure the registration of any holder of any Note, or any other person acting on behalf of such holder, or any other person, as the registered holder of any Shares in respect of such Note.
- (xii) No right to dividends on the Shares will accrue to Noteholders prior to the Settlement Date.

**(h) Range Accrual**

**(A) Definitions**

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means any Monitoring Day where the price per Share as determined by the Calculation Agent as of the Trigger Valuation Time on the relevant Exchange on such Monitoring Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Trigger Price.

**Trigger Price** means the price per Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 17(f) (Particular Provisions) above.

**Trigger Valuation Time** means the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(B) *Consequences*

If **Range Accrual** is specified as applicable in the Final Terms, then the provisions comprised in this Condition 17(g) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(C) *Consequences of Disrupted Days*

If any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

**19. Terms for Equity Linked Notes (basket of shares)**

This Condition applies if and as specified in the applicable Final Terms.

(a) *General Definitions*

**Affected Share** means any Share affected by a Share Event.

**Announcement Date** means respectively (i) in the case of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (ii) in the case of an Insolvency Filing, the date of the first public announcement of the dissolution, appointment of an administrator, provisional liquidator or other similar official, institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Insolvency Filing, and (iii) in the case of a Delisting, the date of the first public announcement by the Exchange that the Shares will cease to be listed, traded or publicly quoted in the manner described in the definition "*Delisting*" as set out in Condition 19(f) (Particular Provisions) below. If the announcement of such Share Event is made after the actual closing time for regular trading sessions on the relevant Exchange, without regard to any after hours or any other trading outside such regular trading session hours, the Announcement Date shall be deemed to be the next following relevant Scheduled Trading Day.

**Barrier Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms and, in respect of any Share comprising the Basket, the price per such Share specified as such in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Basket** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, a set comprising at any time a number of different Shares equal to the Number of Shares specified as such in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, a basket composed of Shares of each Company specified in the applicable Final Terms in the relevant Weighting specified in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below. The Basket shall be specified on the Issue Date in a table set forth in the applicable Final Terms.

**Basket Performance** means, in respect of any Share and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Company** means, in respect of any Share specified in the applicable Final Terms, the issuer of such Share as specified in the applicable Final Terms in respect with the definition of Basket (collectively the **Companies**), subject to adjustment from time to time in accordance with the provisions as set out in Condition 19(f) (Particular Provisions) below.

**Depository Receipt** or **DR** means a negotiable financial instrument with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms issued by the DR Sponsor pursuant to the relevant Deposit Agreement evidencing ownership of a specified number of Underlying Shares in the Company on deposit with a custodian in the issuer's home market and quoted in the relevant DR Specified Currency, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Deposit Agreement** means, in relation to any DR, the agreement(s) or other instrument(s) constituting this DR, as from time to time amended or supplemented in accordance with its (their) terms.

**DR Specified Currency** means, in respect of any DR, the currency specified as such in the applicable Final Terms.

**DR Sponsor** means, in respect of any DR, the depository bank, as determined by the Calculation Agent, issuing this DR.

**Effective Date** means if Separate Valuation is specified as applicable in the applicable Final Terms: (i) in respect of any Share Event which is a Merger Event or, as the case may be, a

Tender Offer, the Merger Date or, as the case may be, the Tender Offer Date and (ii) in respect of any other Share Event, the earlier of (a) the date on which the Calculation Agent becomes aware of the occurrence of such event, provided that (i) for the avoidance of doubt that such date cannot occur before the relevant Announcement Date and (ii) if the Calculation Agent becomes aware of the occurrence of such event after the actual closing time for regular trading session on the relevant Exchange, without regard to any after hours or any other trading outside such regular trading session hours, then the Effective Date shall be deemed to be the next following relevant Scheduled Trading Day, and (b) the date on which such Share Event becomes effective.

**ETF Administrator** means, in respect of any ETF, the administrator, trustee or other similar person with the primary administrative responsibilities for such ETF as determined by the Calculation Agent, subject to adjustment from time to time in accordance with the provisions as set out in Condition 19(f) (Particular Provisions) below.

**ETF Adviser** means, in respect of any ETF, the person appointed in the role of investment manager or investment adviser of such ETF as determined by the Calculation Agent, subject to adjustment from time to time in accordance with the provisions as set out in Condition 19(f) (Particular Provisions) below.

**ETF Minimum Tradable Quantity** means, in respect of any ETF, the number specified as such in the applicable Final Terms.

**ETF Underlying Index** means, in respect of any ETF, the benchmark index or asset(s) to which such ETF is linked, subject to adjustment from time to time in accordance with the provisions as set out in Condition 19(f) (Particular Provisions) below.

**Exchange** means, in respect of any Share, the exchange or quotation system where such Share is mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in this Share has temporarily relocated (provided that the Calculation Agent has determined, in its sole and absolute discretion, that there is comparable liquidity relative to such Share on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means, in respect of any Share, any Scheduled Trading Day on which the relevant Exchange and, if any, the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.



**Exchange Traded Fund or ETF** means a fund or other pooled investment vehicle specified as such in the applicable Final Terms the Units of which are listed on the Exchange, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Final Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Share:

(a) for a Share other than a Share traded on any Japanese exchange:

(i) in respect of any Valuation Date, the price per such Share as determined by the Calculation Agent as of the relevant Valuation Time on the relevant Exchange on such Valuation Date;

OR

(ii) in respect of any Monitoring Day, the price per such Share as determined by the Calculation Agent as of the relevant Trigger Valuation Time on the relevant Exchange on such Monitoring Day;

OR

(iii) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which this Share is valued (with halves being rounded up)) of the relevant Relevant Prices on each of such Averaging Dates.

OR

(b) for a Share traded on any Japanese exchange:

(i) in respect of any Valuation Date, the last traded price per such Share for the day quoted by the Exchange on such Valuation Date, provided however, that if there is a closing special quote per such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Final Price;

OR

(ii) in respect of any Monitoring Day, the last traded price per such Share for the day quoted by the Exchange on such Monitoring Day, provided however, that if there is a closing special quote per such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Final Price;

OR

(iii) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which this Share is valued (with halves being rounded up)) of the relevant Relevant Prices on each of such Averaging Dates.

OR

- (B) If Separate Valuation is specified as not applicable in the applicable Final Terms:
- (a) in respect of any Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Shares of each Company as the product of (i) the price per such Share as determined by the Calculation Agent as of the relevant Valuation Time on the relevant Exchange on such Valuation Date and (ii) the relevant Weighting; or
  - (b) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Averaging Dates as the sum of the values for the Shares of each Company as the product of (i) the Relevant Price of such Share on each of such Averaging Dates and (ii) the relevant Weighting.

**Initial Price** means either:

- (A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Share, the price per such Share specified as such in the applicable Final Terms or, if no such price is specified in the applicable Final Terms, the price of such Share as determined by the Calculation Agent as of the relevant Valuation Time on the relevant Exchange on the Strike Date, subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

OR

- (B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such in the applicable Final Terms or, if no such price is specified in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Shares of each Company as the product of (i) the price of such Share as determined by the Calculation Agent as of the relevant Valuation Time on the relevant Exchange on the Strike Date and (ii) the relevant Weighting, subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Lowest Share Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically lowest Share Performance as determined by the Calculation Agent among the Share Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Lowest Performing Share** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Share with the Lowest Share Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Highest Share Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically highest Share Performance as determined by the Calculation Agent among the Share Performances determined on such Valuation and/or such Monitoring Day and/or such Observation Period.

**Highest Performing Share** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Share with the Highest Share Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those brackets.

**Number of Shares** means, if Separate Valuation is specified as applicable in the applicable Final Terms, the number specified as such in the applicable Final Terms. The number of different Shares comprising the Basket shall be equal at any time to the specified Number of Shares.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Related Exchange** means, in respect of any Share, the exchange where futures or options contracts relating to this Share are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Share has temporarily relocated (provided that the Calculation Agent has determined, in its sole and absolute discretion, that there is comparable liquidity relative to the futures or options contracts relating to such Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Relevant Price** means, in respect of any Share and any Averaging Date, either:

- (A) for a Share other than a Share traded on any Japanese exchange, the price per such Share as determined by the Calculation Agent as of the relevant Valuation Time on the relevant Exchange on such Averaging Date; OR
- (B) for a Share traded on any Japanese exchange, the last traded price per such Share for the day quoted by the Exchange on such Averaging Date, provided however, that if there is a closing special quote per such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Relevant Price.

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

**Scheduled Trading Day** means, in respect of any Share, any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

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

**Share** means an ordinary share or stock in the capital of the applicable Company or, as the case may be, a Depositary Receipt evidencing ownership of the Underlying Share or, as the case may be, a Unit in the Exchange Traded Fund as specified in the applicable Final Terms in respect with the definition of Basket with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Share Clearance System Settlement Disruption Event** means, in respect of any Share, an event beyond the control of the Issuer as a result of which (i) the relevant Share Clearance System cannot clear the transfer of these Share or (ii) the relevant Share Clearance System ceases to clear all or any of such Shares.

**Share Clearance System** means, in respect of any Share, the principal domestic clearance system customarily used for settling trades in this Share at any relevant time, as determined by the Calculation Agent.

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

**Share Event** means, in respect of any Share, that a Merger Event, a Tender Offer or an Additional Adjustment Event occurs.

**Share Performance** means, in respect of any Share and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Underlying Share** means, in respect of any Depositary Receipt, the share issued by the Company to which such Depositary Receipt is linked.

**Unit** means a unit of account of ownership in an Exchange Traded Fund.

**Valuation Time** means, in respect of any Share, the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date or Strike Date or Ultimate Strike Date or Ultimate Valuation Date or Ultimate Averaging Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

**Weighting** or  $W_i$  means, in respect of each Share comprised in the Basket, the percentage or the fraction in respect of such Share specified as such in the applicable Final Terms.

$>$  means that the item or number preceding this sign will be higher than the item or number following this sign.

$<$  means that the item or number preceding this sign will be lower than the item or number following this sign.

$\geq$  means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

$\leq$  means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

$| |$  or **Abs ()** means the absolute value of the item or number inside the brackets.

**%** means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

$^{|n|}$  means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

(b) **Valuation**

(A) *Strike Date*

**Strike Date** means, in respect of any Share, the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)) below.

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

(B) *Valuation Date*

**Valuation Date** means, in respect of any Share, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)) below.

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

(C) *Averaging Date*

**Averaging Date** means, in respect of any Share and any Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Valid Date, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)) below.

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

(c) **Consequences of Disrupted Day(s)**

(A) *Definitions*

**Disrupted Day** means, in respect of any Share, any Scheduled Trading Day on which the Exchange or, if any, the Related Exchange in respect of that Share fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**Early Closure** means, in respect of any Share, the closure on any Exchange Business Day of the Exchange or, if any, the Related Exchange in respect of that Share prior to its relevant Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or, if any, the Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**Exchange Disruption** means, in respect of any Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent, in its sole

and absolute discretion) the ability of market participants in general (i) to effect transactions in, or obtain market values for, this Share on the relevant Exchange, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to this Share on the Related Exchange.

**Market Disruption Event** means, in respect of any Share, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent, in its sole and absolute discretion, determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the price of this Share triggers respectively the Knock-in Price or the Knock-out Price or (b) in all other circumstances ends at the relevant Valuation Time, or (iii) an Early Closure.

**Trading Disruption** means, in respect of any Share, any suspension of, or limitation imposed on, trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) relating to that Share on the relevant Exchange, or (ii) in futures or options contracts relating to that Share on the relevant Related Exchange.

(B) *Provisions*

(1) Strike Date

If, in respect of any Share, the Strike Date is a Disrupted Day, then the Strike Date for this Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date for this Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Initial Price, if Separate Valuation is specified as applicable in the applicable Final Terms, or the relevant price per such Share (for the purpose of determining the Initial Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Share as of the Valuation Time on the Ultimate Strike Date.

**Ultimate Strike Date** means, in respect of any Share, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Valuation Date

If, in respect of any Share, any Valuation Date is a Disrupted Day, then this Valuation Date for this Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date for this Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Final Price, if Separate Valuation is specified as applicable in the applicable Final Terms, or the relevant price per such Share (for the purpose of determining the Final Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Share as of the Valuation Time on that Ultimate Valuation Date.

**Ultimate Valuation Date** means, in respect of any Share and any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) Averaging Dates

If, in respect of any Share, any Averaging Date is a Disrupted Day, then this Averaging Date for this Share shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date for this Share (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Relevant Price in respect of that Averaging Date shall be the Calculation Agent's good faith estimate of the value for this Share as of the Valuation Time on the Ultimate Averaging Date.

**Ultimate Averaging Date** means, in respect of any Share and any Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in

Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the price of the Share triggers the Knock-in Price or the Knock-out Price, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

**(d) *Knock-in Event and Knock-out Event***

**(A) *Knock in Event***

**Knock-in Event** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, that the price(s) of any Knock-in Share(s) determined by the Calculation Agent as of the relevant Knock-in Valuation Time of a number of Knock-in Shares equal to the Knock-in Number of Shares specified in the applicable Final Terms on any Knock-in Determination Day is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Knock-in Price(s).

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Shares of each Company as the product of (i) the price of such Share as determined by the Calculation Agent as of the Knock-in Valuation Time on the relevant Exchange on any Knock-in Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment and/or delivery under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Share(s)** means the Share(s) specified as such in the applicable Final Terms or if no Share is specified then all Shares in the Basket shall be deemed to be the Knock-in Shares.

**Knock-in Number of Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Knock-in Number of Shares shall be deemed equal to one.

**Knock-in Price** means, either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms and in respect of any Knock-in Share, the price of such Knock-in Share specified in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such in the applicable Final Terms,



subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)).

**Knock-in Determination Day** means, in respect of any Knock-in Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means, in respect of any Share, the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means, in respect of any Knock-in Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means, in respect of any Knock-in Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means, in respect of any Knock-in Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, that the price(s) of any Knock-out Share(s) determined by the Calculation Agent as of the relevant Knock-out Valuation Time of a number of Knock-out Shares equal to the Knock-out Number of Shares specified in the applicable Final Terms on any Knock-out Determination Day is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Knock-out Price(s),

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, that the amount for the Basket determined by the Calculation Agent

equal to the sum of the values for the Shares of each Company as the product of (i) the price of such Share as determined by the Calculation Agent as of the Knock-out Valuation Time on the relevant Exchange on any Knock-out Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes, as specified in the applicable Final Terms, and/or payment and/or delivery under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Share(s)** means the Share(s) specified as such in the applicable Final Terms or if no Share is specified then all Shares in the Basket shall be deemed to be the Knock-out Shares.

**Knock-out Number of Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Knock-out Number of Shares shall be deemed equal to one.

**Knock-out Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Knock-out Share, the price per Knock-out Share specified as such in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)).

**Knock-out Determination Day** means, in respect of any Knock-out Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 19(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means, in respect of any Knock-out Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means, in respect of any Knock-out Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means, in respect of any Knock-out Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means, in respect of any Knock-out Share (if Separate Valuation is specified as applicable in the applicable Final Terms) or Share (if Separate Valuation is specified as not applicable in the applicable Final Terms), the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) ***Automatic Early Redemption***

(A) *Definitions*

**Automatic Early Redemption Averaging Date** means, in respect of any Share and any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Share Price or, if Separate Valuation is specified as applicable in the applicable Final Terms, the Share Price(s) of a number of Shares equal to the Automatic Early Redemption Number of Shares specified in the applicable Final Terms is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Automatic Early Redemption Price(s).

**Automatic Early Redemption Number of Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Automatic Early Redemption Number of Shares shall be deemed equal to one.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Price** means, either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Share, the price per such Share specified as such in the applicable Final Terms; or

(B) if Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions) below.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means, in respect of any Share, a relevant Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means, in respect of any Share, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Share Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Share:

(a) for a Share other than a Share traded on any Japanese exchange:

(1) in respect of any Automatic Early Redemption Valuation Date, the price per such Share as determined by the Calculation Agent as of the Valuation Time on the relevant Exchange on such Automatic Early Redemption Valuation Date; OR

(2) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Share is valued (with halves being rounded up)) of the Specified Prices on each of such Automatic Early Redemption Averaging Dates; OR

(b) for a Share traded on any Japanese exchange:

(1) in respect of any Automatic Early Redemption Valuation Date, the last traded price per such Share for the day quoted by the Exchange on such Automatic Early Redemption Valuation Date, provided however, that if there is a closing special quote per such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Share Price; OR

(2) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Share is valued (with halves being rounded up)) of the Specified Prices on each of such Automatic Early Redemption Averaging Dates.

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms:

- (a) in respect of any Automatic Early Redemption Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Shares of each Company as the product of (i) the Relevant Price of such Share on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting; or
- (b) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Automatic Early Redemption Averaging Dates as the sum of the values for the Shares of each Company as the product of (i) the Specified Prices of such Share on each of such Automatic Early Redemption Averaging Dates and (ii) the relevant Weighting.

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

**Specified Price** means, in respect of any Share and any Automatic Early Redemption Averaging Date, either:

- (A) for a Share other than a Share traded on any Japanese exchange, the price per Share as determined by the Calculation Agent as of the Valuation Time on the Exchange on such Automatic Early Redemption Averaging Date; OR
- (B) for a Share traded on any Japanese exchange, the last traded price per such Share for the day quoted by the Exchange on such Automatic Early Redemption Averaging Date, provided however, that if there is a closing special quote per such Share quoted by the Exchange (*tokubetsu kehaine*), such quote shall be deemed to be the relevant Specified Price.

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, and (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If, in respect of any Share, any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date for this Share shall be the first succeeding Scheduled Trading Day that is not

a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date for this Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Share Price, if Separate Valuation is specified as applicable in the applicable Final Terms, or the relevant price per such Share (for the purpose of determining the Share Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Share as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date.

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Share, and any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If, in respect of any Share, any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date or this Share shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (A) the Ultimate Automatic Early Redemption Averaging Date for this Share shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (B) the Specified Price in respect of that Automatic Early Redemption Averaging Date shall be the Calculation Agent's good faith estimate of the value for this Share as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date.

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Share and any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) **Particular Provisions**

(A) *Potential Adjustment Events*

(1) Definitions

**Potential Adjustment Event** means, with respect to any Company and/or any Share, any of the following as determined by the Calculation Agent:

- (i) a subdivision, consolidation or reclassification of Shares (unless resulting in a Merger Event), or a free distribution or dividend of any such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of relevant Shares of (A) such Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Company equally or proportionately with such payments to holders of such Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Company as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) a dividend which the Calculation Agent determines, in its sole discretion and acting in good faith and in a commercially reasonable manner, should (in whole or part) be characterised as an extraordinary dividend;
- (iv) a call by the Company in respect of Shares that are not fully paid;
- (v) a repurchase by the Company or any of its subsidiaries of relevant Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vi) in respect of the Company, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Company pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (vii) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Shares.

(2) Consequences

(i) Subject to sub-paragraph (iv) below, if, in respect of any Share, a Potential Adjustment Event occurs from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent will promptly determine, in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of that Share and, if so, will:

- (I) make such adjustment(s), if any, to any one or more of the Barrier Price and/or the Trigger Price and/or the Initial Price and/or the Knock-in Price and/or the Knock-out Price and/or the Automatic Early Redemption Price and/or the specific Weighting and/or (if Redemption by Physical Delivery) the Relevant Number of Shares and/or any of the other relevant terms of the Notes that the Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for that diluting or concentrative effect; and
- (II) determine, in its sole and absolute discretion, the effective date(s) of such adjustment(s).

The Calculation Agent may (but need not) determine the appropriate adjustment(s) by reference to the adjustment(s) in respect of such Potential Adjustment Event made by an options exchange to options on such Share traded on such options exchange.

(ii) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines (with reference as the case may be to the adjustment method of the Related Exchange on which options on this Share are traded) that the theoretical change in value of any Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to one per cent. (or otherwise specified in the applicable Final Terms) of the value of that property immediately before the occurrence of that event or those events.

(iii) No adjustments to the property comprised within any Share will be required other than those specified above. However, subject to sub-paragraph (iv) below, the Issuer may cause the Calculation Agent to make additional adjustments to the property comprised within any Share to reflect changes occurring in relation to such property in other circumstances where the Issuer determines, in its sole and absolute discretion, that such changes are appropriate.

(iv) If Essential Trigger is specified as applicable in the applicable Final Terms, the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes or Condition 15 (Discretion) of the Terms and Conditions of the French Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer to be able to elect to adjust any provisions of the Notes pursuant to this Condition 19.

(B) *Correction of Share Price*



In the event that, in respect of any Share, any price published on the Exchange and which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction (the **Corrected Value**) is published by the relevant Exchange within one relevant Settlement Cycle after the original publication, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines to be necessary, the Calculation Agent may adjust any relevant terms accordingly.

(C) *Merger Events and Tender Offers*

(1) Definitions

**Combined Consideration** means New Shares in combination with Other Consideration.

**Merger Date** means the closing date of a Merger Event (as determined by the Calculation Agent) or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**Merger Event** means, in respect of any Share, any (i) reclassification or change of the Share that results in a transfer of or an irrevocable commitment to transfer all of such Shares outstanding to another entity or person, (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Company with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Company is the continuing entity and which does not result in a reclassification or change of all of such Shares outstanding), (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100% of the outstanding Shares of this Company that results in a transfer of or an irrevocable commitment to transfer all such Shares (other than such Shares owned or controlled by such other entity or person), or (iv) consolidation, amalgamation, merger or binding share exchange of this Company or its subsidiaries with or into another entity in which this Company is the continuing entity and which does not result in a reclassification or change of all such Shares outstanding but results in the outstanding Shares (other than Shares owned or controlled by such other entity) immediately prior to such event collectively representing less than 50% of the outstanding Shares immediately following such event (a **Reverse Merger**).

**Minimum Percentage** means 10% or the percentage specified as such in the applicable Final Terms.

**New Shares** means, in respect of any Share, ordinary or common shares, whether of the entity or person (other than the relevant Company) involved in the Merger Event or the making of the Tender Offer or a third party, that are, or that as of the Merger Date or Tender Offer Date are promptly scheduled to be, (i) publicly quoted, traded or listed on an exchange or quotation system located in the same country as the Exchange (or, where the

Exchange is within the European Union, in any member state of the European Union) and (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**New Shares Conditions** means, if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of New Shares, that these New Shares (i) are not already a Share already comprised in the Basket, (ii) are or will be, listed on an Exchange, (iii) are, or will be, in the determination of the Calculation Agent, the subject of a large and liquid market and (iv) comply with any Additional New Shares Conditions specified in the applicable Final Terms. For the avoidance of doubt, if there is more than one company issuing New Shares in respect of the relevant Merger Event or, as the case may be, Tender Offer, such conditions shall be applied separately to the shares of each such company.

**Other Consideration** means, in respect of any Share, cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Company) involved in the Merger Event or the making of the Tender Offer or a third party).

**Other Consideration Ratio** means either (i) if the Other Consideration is quoted on an exchange on the Merger Date, the closing price of that Other Consideration on the relevant exchange on the Merger Date or (ii) if such Other Consideration is not quoted on an exchange on such date, the Calculation Agent's good faith estimate of the value at which such Other Consideration could be sold to a willing buyer in an arm's length transaction on the Merger Date, in both cases expressed in terms of the number of New Shares that a holder of an Affected Share is entitled to receive on the Merger Date.

**Share Differential** means, in respect of any Share, a number equal to the price of this Share as of the relevant Valuation Time on the relevant Exchange on the relevant Merger Date or, as the case may be, Tender Offer Date (or if such price is not available, the Calculation Agent's good faith estimate of the value of such Share as of the relevant Valuation Time on such date) divided by the relevant Initial Price in respect of such Share.

**Share-for-Combined** means, in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists solely of Combined Consideration.

**Share-for-Other** means, in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists solely of Other Consideration.

**Share-for-Share** means (i) in respect of a Merger Event or Tender Offer, that the consideration for the relevant Shares consists (or, at the option of the holder of such Shares, will consist) solely of New Shares, and (ii) a Reverse Merger.

**Tender Offer** means, in respect of any Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing or otherwise obtaining or having the right to obtain, by conversion or other means, greater than the

Minimum Percentage and less than 100% of the outstanding voting shares of the relevant Company, as determined by the Calculation Agent, acting in its sole and absolute discretion, based upon the making of filings with governmental or self regulatory agencies or such other information as the Calculation Agent deems relevant.

**Tender Offer Date** means, in respect of a Tender Offer, the date on which voting shares in the amount of the applicable percentage threshold are actually purchased or otherwise obtained (as determined by the Calculation Agent).

(2) Consequences

If the Calculation Agent determines, in its sole and absolute discretion, that a Merger Event or a Tender Offer, has occurred in respect of any Share at any time from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, it shall forthwith notify the Issuer of the occurrence of such event and the relevant Merger Date or, as the case may be, Tender Offer Date and, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Issuer may elect on or after the Merger Date or, as the case may be, the Tender Offer Date:

(A) if Separate Valuation is specified as applicable in the applicable Final Terms:

(I) if the Calculation Agent determines that the New Share Conditions are satisfied as of the Merger Date or, as the case may be, the Tender Offer Date, then the New Shares and the company issuing those New Shares will be deemed to be that Share and that Company respectively, the Calculation Agent shall be entitled to adjust accordingly any relevant terms of the Notes to account for the economic effect on the Notes of such Merger Event and to reflect the number of New Shares to which a holder of one such Affected Share is entitled in exchange for the Affected Share, provided that such adjustment shall only apply after the Merger Date;

OR (but not and)

(II) if the Calculation Agent determines that the New Share Conditions are not satisfied as of the Merger Date or, as the case may be, the Tender Offer Date, the Affected Share shall be replaced by a Substitute Share in accordance with the provisions set forth in Condition 19(f)(E) (Substitution) below.

In respect of any Merger Event or Tender Offer, to the extent that a holder of an Affected Share could elect to receive New Shares or Other Consideration, the Calculation Agent will, for the purposes of making any calculation in respect of the Notes, be deemed to elect to receive New Shares.

OR (BUT NOT AND)

(B) if Separate Valuation is specified as not applicable in the applicable Final Terms:

(I) in the case where the Share continues to be listed and traded on the Exchange, to retain such Share in the Basket, subject to any adjustments to the terms of the Notes as the Calculation Agent determines appropriate;

OR (but not and)

(II) to require the Calculation Agent (a) to make such adjustment(s) to the redemption, payment or any other terms of the Notes as the Calculation Agent, in its sole and absolute discretion, considers to be appropriate to account for the economic effect on the Notes of such Merger Event or Tender Offer (including, without limitation, (A) the replacement of the Share by the number of New Shares and/or the amount of Other Consideration (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable) to which a holder of a Share would be entitled upon consummation of the Merger Event or the Tender Offer and/or (B) the adjustment to the relevant terms of the Notes that the Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for such replacement) and (b) to determine, in its sole and absolute discretion, the effective date of such adjustment(s).

If a holder of Shares could make an election as between different components of the New Shares and/or Other Consideration, the Calculation Agent shall make, in its sole and absolute discretion, such election for the purposes of this sub-paragraph (II).

If Separate Valuation is specified as not applicable in the applicable Final Terms and in the case of Combined Consideration, the Calculation Agent may, in its sole and absolute discretion, determine that the Share shall be replaced by the number of New Shares equal to the sum of (a) the number of New Shares, which originally formed part of the Combined Consideration together with (b) the number of additional New Shares that could be purchased using the value on the Merger Date or, as the case may be, the Tender Offer Date of the Other Consideration.

If Separate Valuation is specified as not applicable in the applicable Final Terms and in the event that the consideration for the Share consists of more than any one type of share or security, the Calculation Agent may determine, in its sole and absolute discretion, that the

Share will be comprised of some but not all of such considerations (the **Retained Consideration**), and that the balance of the consideration shall not be so retained for purposes of comprising the Share (the **Non Retained Consideration**); provided, however, that an adjustment shall be made to the Retained Consideration comprising the Share so as to take into account the value of the Non Retained Consideration. The foregoing adjustment shall be made with reference to the values of the Retained Consideration and Non Retained Consideration in accordance with the quotations (if any) of the Retained Consideration and the Non Retained Consideration, respectively, made on the first Exchange Business Day following the Merger Date or, as the case may be, the Tender Offer Date and otherwise as the Calculation Agent may reasonably determine.

OR (BUT NOT AND)

(C) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:(a) — applying~~ apply the Monetisation provisions set forth in paragraph 19(f)(F) below;~~or~~

~~(b) — requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (D) below;~~

OR (BUT NOT AND)

(D) to redeem all (but not some only) of the Notes on the tenth Business Day after Merger Date or, as the case may be, the Tender Offer Date (such date being an Early Redemption Date) by paying the Early Redemption Amount determined by the Calculation Agent on the Merger Date or, as the case may be, the Tender Offer Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. In such event, the Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines (with reference as the case may be to the adjustment method of the Related Exchange on which options on this Share are traded) that the theoretical change in value of any Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to one per cent. (or otherwise specified in the applicable Final Terms) of the value of that property immediately before the occurrence of that event or those events.

No adjustments to the property comprised within any Share will be required other than those specified above. However, the Issuer may cause the Calculation Agent to make additional adjustments to the property comprised within any Share to reflect changes occurring in relation to such property in other circumstances where the Issuer determines, in its sole and absolute discretion, that such changes are appropriate.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(D) *Additional Adjustment Events*

(1) Definition

**Additional Adjustment Events** means each of a Delisting, an Insolvency Filing, a Nationalisation and/or, a Change in Law, a Hedging Disruption or an Increased Cost of Hedging as defined below.

**Change in Law** means, unless otherwise determined in the relevant Final Terms, that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation,

rule or procedure of any exchange (an **Applicable Regulation**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), the Issuer or NATIXIS determines that (X) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Delisting** means, in respect of any Share, that the relevant Exchange announces that pursuant to the rules of this Exchange, this Share cease (or will cease) to be listed, traded or publicly quoted on this Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is in the European Union, in any member state of the European Union).

**Hedge Positions** means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by NATIXIS in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

**Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements at any time with respect to the Notes, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**Hedging Disruption** means, where specified as applicable in the relevant Final Terms, that NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms, that NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain,

unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements shall not be deemed an Increased Cost of Hedging.

**Insolvency Filing** means, in respect of any Share, that the relevant Company (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger), (b) becomes insolvent or is unable to pay its debts or fails or admits in writing in a judicial, regulatory or administrative proceeding or filing its inability generally to pay its debts as they become due, (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors, (d) institutes or has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (ii) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof, (e) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger), (f) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets, (g) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 calendar days thereafter, or (h) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in clauses (a) to (g) (inclusive).

**Nationalisation** means, in respect of any Share, that all these Shares or all the assets or substantially all the assets of the relevant Company are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

(2) Consequences

If the Calculation Agent determines, in its sole and absolute discretion, that an Additional Adjustment Event has occurred in respect of any Share or any Company from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, it shall forthwith notify the Issuer of such event and, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Issuer may elect either:



- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes (including, without limitation, to determine its good faith estimate of the value of such Share (the **Share Value**) which may be, for the avoidance of doubt, equal to zero, provided that the Calculation Agent may (but is not obliged to) decide that the Share Value shall be deemed to be the Other Consideration and reinvested in a Substitute Share in accordance with the provisions set forth in Condition 19(f)(E) (Substitution) below). If Essential Trigger is specified as applicable in the applicable Final Terms, (i) as it, in its sole and absolute discretion, considers to be appropriate, and determine, in its sole and absolute discretion, the effective date of such adjustment(s); the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

OR (but not and)

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes (including, without limitation, the good faith estimate by the Calculation Agent of the value of the Share before the effective date of such event) as it, in its sole and absolute discretion, considers to be appropriate, and determine, in its sole and absolute discretion, the effective date of such adjustment(s);

OR (but not and)

- (iii) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options: (a) applying~~ apply the Monetisation provisions set forth in paragraph 19(f)(F) below; ~~or~~

- ~~(b) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (iv) below;~~

OR (but not and)

- (iv) to redeem all (but not some only) of the Notes on the tenth Business Day (such date being an **Early Redemption Date**) following the day (or, if such day is not a Business Day, the first Business Day following the day) on which the Issuer receives notice from the Calculation Agent that such Additional Adjustment Event has

occurred (such day being a **Notification Date**). The Notes shall be redeemed on the Early Redemption Date at the Early Redemption Amount determined by the Calculation Agent as of the Notification Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. The Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(E) *Substitution*

(1) Definitions

**Market Value** means an amount determined by the Calculation Agent to be respectively:

- (i) in respect of the Substitute Share (the **Market Value of the Substitute Share**), the closing price per Substitute Share on the relevant exchange on the Substitution Date;
- (ii) in respect of the Substitute Consideration (the **Market Value of the Substitute Consideration**):

- (a) if such Substitute Consideration is quoted on an exchange on the Substitution Date, the closing price per Substitute Consideration on the relevant exchange on the Substitution Date; and/or
- (b) if such Substitute Consideration is not quoted on an exchange on the Substitution Date, the Calculation Agent's good faith estimate of the value at which the Substitute Consideration could be sold to a willing buyer in an arm's length transaction on the Substitution Date.

For the avoidance of doubt, the Market Value of Other Consideration shall be deemed to be expressed as an amount per Affected Share.

**Substitute Share** means, in respect of any Affected Share, a share selected by the Calculation Agent to replace that Affected Share which satisfies each of the following criteria:

- (i) it is not already a Share comprised in the Basket (except if such Share is a New Share received as a consequence of a de-merger Event in respect of which the New Share Conditions are satisfied);
- (ii) it is a share in respect of which no Share Event would occur immediately upon its substitution for the relevant Affected Share;
- (iii) it is listed on a regulated exchange and is traded on an exchange, quotation system or market that the Calculation Agent determines is of comparative size and liquidity relative to the Substitute Share as the Exchange is relative to the Affected Share;
- (iv) it is issued to the extent that this is possible by a company located in the same geographical area as the Company relating to the Affected Share;
- (v) it is part, to the extent that this is possible, of the same economic sector as the Company relating to the Affected Share; and
- (vi) any Additional Substitute Share Conditions specified in the applicable Final Terms.

**Substitute Consideration** means (i) the Affected Share or (ii) New Shares and/or Other Consideration exchanged or otherwise received in respect of the Affected Share.

**Substitution Date** means, in respect of any Share Event and any Share, the third Exchange Business Day (on which, if relevant, no Market Disruption Event has occurred) succeeding the Effective Date.

(2) Consequences

If Essential Trigger is specified as not applicable in the applicable Final Terms, the occurrence of a Share Event with respect to an Affected Share (other than a Share-for-Combined Merger Event or a Share-for-Combined Tender Offer or a Share-for-Share Merger Event or a Share-for-Share Tender Offer where the New Share Conditions are satisfied):

- (i) the Calculation Agent shall determine the Market Value of the Substitute Consideration and the Market Value of the Substitute Share;
- (ii) the Substitute Share and the company issuing those Substitute Shares will be deemed to be the **Share** and the **Company** respectively with effect on the Substitution Date;
- (iii) the relevant Initial Price will be adjusted by the Calculation Agent by dividing (a) such relevant Initial Price by (b) an amount equal to (A) the Market Value of the Substitute Consideration divided by (B) the Market Value of the Substitute Share, provided that such adjustment shall only apply after the Substitution Date; and
- (iv) the Calculation Agent shall be entitled to adjust accordingly any of the other relevant terms of the Notes (including, but not limited to, any of the relevant Barrier Price and/or the Trigger Price and/or Knock-in Price and/or Knock-out Price and/or Automatic Early Redemption Price and/or the specific Weighting which will be adjusted by the Calculation Agent in accordance with the methodology above defined), provided that such adjustment shall only apply after the Substitution Date.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 19 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 19 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(F) *Monetisation*

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and a Monetisation Event occurs but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate, and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and equal to the product of:

- (A) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (B) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 19(f)(F):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its sole and absolute discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in Condition 19(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in Condition 19(f) (Particular Provisions).

**Monetisation Formula** means the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final

Terms) of the Terms and Conditions of the English Law Notes and Condition 6(1) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

(G) *Cut-off Date*

(1) Definitions

**Cut-off Date** means, in respect of any Valuation Date, the Scheduled Trading Day which is the first of the Cut-off Number of Scheduled Trading Days immediately preceding such Valuation Date.

**Cut-off Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to five.

(2) Consequences

Notwithstanding the provisions of Condition 19(f)(C) (Merger Events and Tender Offers) and Condition 19(f)(D) (Additional Adjustment Events), if a Share Event occurs during the period from the relevant Cut-off Date to any Valuation Date (both dates inclusive), the relevant Final Price of the Affected Share shall be the price determined by the Calculation Agent as being its good faith estimate of the fair market value of the Affected Share.

(H) *Miscellaneous*

- (i) If more than one of the events set out above occurs, the adjustments (if any) to the terms of the Notes for the second and subsequent events shall be to the terms of the Notes as adjusted for preceding events.
- (ii) In the event that a determination is made that the Notes will be settled by Redemption by Physical Delivery and on or after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day (but before the Settlement Date) a Potential Adjustment Event, a Merger Event or an Additional Adjustment Event occurs, then the Issuer shall be entitled (but not obliged) upon immediate notice to the Noteholders to (a) delay the Settlement Date to such date that falls five Business Days following such event and (b) cause the property comprising the Relevant Number of Shares to be thereupon adjusted in accordance with the provisions hereof.
- (iii) As soon as reasonably practicable under the circumstances after making any adjustment or modification to the terms of the Notes in accordance with these Conditions, whether in the exercise of its own discretion or at the request of the Issuer, the Calculation Agent will give notice thereof to the Issuer and to the Paying Agent whereupon the Issuer or the Paying Agent shall notify the Noteholders of such adjustment or modification in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes.

(I) *Redemption by Physical Delivery*

(1) Definitions

**Clearance System** means indiscriminately the Deliverable Share Clearance System, Clearstream or Euroclear.

**Clearance System Business Day** means any day on which each of Euroclear or Clearstream, as the case may be, and the Deliverable Share Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

**Clearstream** means Clearstream Banking S.A. (or any successor thereof).

**Deliverable Share** means the Share specified as such in the applicable Final Terms.

**Deliverable Share Clearance System** means the principal domestic clearance system customarily used for settling trades in the Deliverable Share, as determined by the Calculation Agent.

**Delivery Agent** means NATIXIS appointed by the Issuer, which term shall include any successor or any agent acting on behalf thereof, as the case may be. The Delivery Agent will act solely as agent of the Issuer and will not assume any obligations to, or relationship of agency or trust for or with, the Noteholders. The Issuer reserves the right at any time to vary or terminate the appointment of the Delivery Agent and to appoint or not other Delivery Agent.

**Disruption Cash Settlement Price** means, in respect of any Note, an amount in the Specified Currency specified as such in the applicable Final Terms equal to the fair market value of a Note less (i) the Residual Cash Amount and, for any Note other than Notes listed and admitted to trading on any regulated market organised and managed by Borsa Italiana S.p.A. or offered in the Republic of Italy in the context of a public offer, (ii) the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent, in its sole and absolute discretion.

**Euroclear** means Euroclear S.A./N.V. (or any successor thereof).

**Integral Number of Deliverable Shares** means, in respect of each Note, an integral number of Deliverable Shares equal to the Relevant Number of Deliverable Shares rounded downwards to the nearest integral number; except if "Notes to be aggregated for the purposes of determining the number of Deliverable Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Integral Number of Deliverable Shares*" shall be deemed not applicable. For the avoidance of doubt the Integral Number of Deliverable Shares as of the Issue Date may be specified in the applicable Final Terms.

**Physical Delivery Reference Amount** means either (i) the Specified Denomination or (ii) the Final Redemption Amount, as specified in the applicable Final Terms.

**Physical Delivery Rounding Convention** means the method specified in the applicable Final Terms or, if such Physical Delivery Rounding Convention is not specified, the figure to be rounded shall be rounded upwards to the nearest third decimal.

**Prevailing Exchange Rate** means, in respect of any date specified in the applicable Final Terms, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Prevailing Exchange Rate (or a method for determining the Prevailing Exchange Rate).

**Relevant Number of Deliverable Shares** means, in respect of each Note, a number of Deliverable Shares equal to (i) the Physical Delivery Reference Amount multiplied by (ii) the specific Weighting (if any), (iii) the Prevailing Exchange Rate (if any) divided by (iv) the Share Reference Price of the Deliverable Shares, subject to the Physical Delivery Rounding Convention and to adjustment from time to time in accordance with the provisions as set out in Condition 19(f) (Particular Provisions) above. For the avoidance of doubt, the Relevant Number of Deliverable Shares as of the Issue Date may be specified in the applicable Final Terms.

**Residual Cash Amount** means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Deliverable Shares and (ii) the Ultimate Final Price of the Deliverable Share divided by the Prevailing Exchange Rate (if any), being specified that the result of such sum shall be rounded to the nearest second decimal and with 0.005 rounded upwards.

**Residual Number of Deliverable Shares** means, in respect of each Note, a number of Shares equal to (i) the Relevant Number of Deliverable Shares minus (ii) the Integral Number of Deliverable Shares; except if "Notes to be aggregated for the purposes of determining the number of Deliverable Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Residual Number of Deliverable Shares*" shall be deemed not applicable. For the avoidance of doubt, the Residual Number of Deliverable Shares as of the Issue Date may be specified in the applicable Final Terms.

**Settlement Date** means the Maturity Date. If a Settlement Disruption Event does prevent delivery on that day, then the Settlement Date will be the first succeeding day on which delivery of the Integral Number of Deliverable Shares can take place through the relevant Clearance System unless a Settlement Disruption Event prevents settlement on each of the five Clearance System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, (a) if the Integral Number of Deliverable Shares can be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then the Settlement Date will be the first day on which settlement of a sale of the Integral Number of Deliverable Shares executed on that fifth Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed to be the relevant Clearance System for the purposes of delivery of the relevant Integral Number of Deliverable Shares), and (b) if the Integral Number of Deliverable Shares cannot be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in



its sole discretion, then in lieu of physical settlement the Issuer may satisfy its obligations in respect of each of the relevant Notes by payment to the Noteholders of the Disruption Cash Settlement Price on the third Business Day following such fifth Clearance System Business Day. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the shares or securities comprised in the Relevant Number of Deliverable Shares, the Settlement Date for shares or securities not affected by the Settlement Disruption Event will be the Maturity Date. In the event that a Settlement Disruption Event will result in the delivery on the Settlement Date of some but not all of the shares or securities comprised in the Relevant Number of Deliverable Shares, the Calculation Agent shall determine in its sole discretion the appropriate pro rata portion of the Disruption Cash Settlement Price which the Issuer, to satisfy its obligations in respect of each of the relevant Notes to the extent the Issuer has not already done so by delivery of shares or securities comprised in the Relevant Number of Deliverable Shares, will pay to the Noteholders on the third Business Day following the fifth Clearance System Business Day.

**Settlement Disruption Event** means an event beyond the control of the Issuer or the Delivery Agent as a result of which (i) Euroclear or Clearstream, as the case may be, or the Deliverable Share Clearance System cannot clear the transfer of the Deliverable Shares or (ii) Euroclear or Clearstream, as the case may be, or the Deliverable Share Clearance System ceases to clear all or any of such Deliverable Shares.

**Share Reference Price** means, as specified in the relevant Final Terms (i) the amount per Deliverable Share specified as such in the applicable Final Terms, (ii) the Initial Price of the Deliverable Shares or (iii) the Ultimate Final Price.

**Ultimate Final Price** means the Final Price or, if there are several Valuation Dates, the Final Price in respect of the last Valuation Date or otherwise specified as such in the applicable Final Terms.

(2) Provisions

- (i) In the case of Redemption by Physical Delivery, provided that notice of Redemption by Physical Delivery shall be made by the Calculation Agent or the Issuer to the Paying Agent and Euroclear and/or Clearstream, as the case may be, on or immediately after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day, each Noteholder shall not later than two Business Days before the Maturity Date (the **Delivery Notice Date**) (or on such earlier date as the Calculation Agent, acting in its sole discretion, shall determine is necessary for the Issuer and Euroclear and/or Clearstream, as the case may be, to perform their respective obligations under the Notes and which earlier date has been notified to the Issuer, and of which the Issuer shall then promptly inform Noteholders) send to Euroclear and/or Clearstream, as the case may be (in accordance with its then applicable operating procedures and accepted methods of communication), an irrevocable notice designating its security and cash accounts for the purposes of Redemption by Physical Delivery and details of such accounts at Euroclear or Clearstream or the Deliverable Share Clearance System (the **Delivery Notice**).

- (ii) Unless Essential Trigger is specified as applicable in the relevant Final Terms, the Issuer shall be under no obligation to compensate or indemnify the Noteholder(s) for any delay or failure on the part of the Issuer or the Delivery Agent to deliver or procure the delivery of the Integral Number of Deliverable Shares on the Settlement Date and/or to pay or procure the payment of the Residual Cash Amount on the Maturity Date to the Noteholder(s) to the extent Euroclear and/or Clearstream, as the case may be, does not receive the Delivery Notice from the Noteholder(s) on (or before, as may be applicable) the Delivery Notice Date or, to the extent that for any reason Euroclear and/or Clearstream fail, or fail within any relevant period, to transmit (whether or not in accordance with its then applicable operating procedures and accepted methods of communication) any notice by or on behalf of the Issuer or the Delivery Agent to its participants. Without prejudice to the preceding sentence and sub-paragraph (iv) below, in the event that Euroclear and/or Clearstream do not receive a Delivery Notice from a Noteholder on or before the tenth Business Day following the Maturity Date, the Issuer shall be entitled (but not obliged) to pay to such Noteholder, as soon as reasonably practicable on or following such date an amount, determined by the Calculation Agent in its sole and absolute discretion and notified to the Issuer, the Paying Agent, Euroclear and/or Clearstream, as the case may be (to be communicated by them to the relevant Noteholders) in writing promptly following such determination, equal to the fair market value of such Integral Number of Deliverable Shares and/or the Residual Cash Amount at the date determined in good faith by the Issuer, in full satisfaction of its obligations under such Notes.
- (iii) A Delivery Notice once delivered to Euroclear or Clearstream, as the case may be, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note that is the subject of a Delivery Notice following delivery of such Delivery Notice to Euroclear or Clearstream, as the case may be.
- (iv) A Delivery Notice shall only be valid to the extent that Euroclear and/or Clearstream, as the case may be, have not received conflicting prior instructions in respect of the Notes that are the subject of the Delivery Notice. Failure properly and timely to provide a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly provided shall be made by Euroclear and/or Clearstream, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder. If a Delivery Notice has not been provided properly and timely, the Issuer or the Delivery Agent shall not be obliged to make any payment or delivery in respect of the Notes which are the subject of the Delivery Notice.
- (v) Receipt by Euroclear and/or Clearstream, as the case may be, of a valid Delivery Notice shall be deemed to constitute (a) written confirmation of an irrevocable election and undertaking by the relevant Noteholder to select the account at Euroclear or Clearstream or the Deliverable Share Clearance System specified therein and (b) an undertaking by the relevant Noteholder to pay any costs, applicable value added or sales taxes, transfer taxes, stamp duties and other taxes and duties due by reason of delivery of the Integral Number of Deliverable Shares to the account at Euroclear or Clearstream or the Deliverable Share Clearance System or to reimburse Euroclear or Clearstream, as the case may be, or the Deliverable Share Clearance System in respect of any such costs, taxes or duties.

- (vi) In the event that any Note is not represented by a Global Note or Global Certificate held on behalf of Euroclear or Clearstream, as the case may be, the Issuer or the Delivery Agent shall procure that notice shall be provided to the relevant Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes, describing the method by which an account at the Deliverable Share Clearance System shall be irrevocably designated for such Noteholders and such designation shall be binding on the Issuer and such Noteholders.
- (vii) Upon receipt of such Delivery Notice, Euroclear and/or Clearstream, as the case may be, shall (a) verify that the person specified therein as the Noteholder is the holder of the specified principal amount of Notes according to its books (provided that if such verification shows that such person is not the Noteholder according to its books, the Delivery Notice shall not be valid) and (b) in accordance with its then applicable operating procedures, send a copy of the Delivery Notice to the Issuer, the Delivery Agent and such other persons as the Issuer or the Delivery Agent may previously have specified.
- (viii) The nominal amount of a number of Notes delivered by the same Noteholder for redemption shall not be aggregated for the purpose of determining the number of Deliverable Shares to be delivered in respect of such Notes. However if the paragraph "Notes to be aggregated for the purposes of determining the number of Deliverable Shares to be delivered" is specified as applicable in the applicable Final Terms, then the Notes delivered by the same Noteholder for exchange shall be aggregated for the purpose of determining the number of Deliverable Shares to be delivered in respect of such Notes. In such case, the Deliverable Shares deliverable to a Noteholder in respect of the Notes held by it will be a whole number of Deliverable Shares provided that where the number of Deliverable Shares which would otherwise be deliverable hereunder includes a fraction of such Deliverable Shares, the number of such Deliverable Shares shall be rounded downwards to the nearest integral number and the cash equivalent of such fraction (the **Additional Cash Amount**) will be paid to this Noteholder. The Additional Cash Amount shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the above mentioned fraction and (ii) the Exchange traded price of the Share(s) as of the close of trading on the Exchange on the date specified in the applicable Final Terms or, if such price is not available in the sole opinion of the Calculation Agent on such date, the price determined by the Calculation Agent in its sole and absolute discretion.
- (ix) Delivery of any Deliverable Shares is subject to all applicable laws, regulations and practices and neither the Issuer nor the Delivery Agent shall incur liability whatsoever if it is unable to deliver or procure the delivery of the Deliverable Shares to the Noteholder because of any such laws, regulations or practices. Neither the Issuer nor the Delivery Agent shall under any circumstances be liable for any acts or defaults of Euroclear and/or Clearstream, as may be applicable, and/or the Deliverable Share Clearance System in relation to the performance of the duties in relation to the Notes, including but not limited to the delivery of the Deliverable Shares to the Noteholder.
- (x) After delivery by the Issuer or the Delivery Agent to the relevant Noteholder(s) through Euroclear and/or Clearstream, as may be applicable, and/or the Deliverable Share Clearance System of the Deliverable Shares (if applicable) and for such period of time as the Issuer or its agent or nominee shall continue to be registered in any

clearance system or otherwise as the owner of the Deliverable Shares (the **Intervening Period**), neither the Issuer nor its agent or nominee shall:

- (I) be under any obligation to deliver to such Noteholder(s) or any subsequent beneficial owner of the Deliverable Shares any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or its agent or nominee in its capacity as the holder thereof; or
  - (II) exercise any or all rights (including voting rights) attaching to such Deliverable Shares or part thereof during the Intervening Period without the prior written consent of the relevant Noteholder(s), provided that neither the Issuer nor its agent or nominee shall be under any obligation to exercise any such rights during the Intervening Period; or
  - (III) be under any liability to such Noteholder(s) or any subsequent beneficial owner of the Deliverable Shares in respect of any loss or damage which such Noteholder(s) or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of the Issuer or its agent or nominee being registered in such clearance system or otherwise during such Intervening Period as legal owner of the Deliverable Shares.
- (xi) The Issuer or the Delivery Agent shall not be under any obligation to register or procure the registration of any holder of any Note, or any other person acting on behalf of such holder, or any other person, as the registered holder of any Deliverable Shares in respect of such Note.
- (xii) No right to dividends on the Deliverable Shares will accrue to Noteholders prior to the Settlement Date.
- (J) *Range Accrual*

(1) Definitions

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day for each Share comprising the Basket or for the Triggering Share, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means either:

- (ii) if Separate Valuation is specified as applicable in the applicable Final Terms any Monitoring Day where the Final Price on such Monitoring Day of the Triggering Share on such Monitoring Day is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the relevant Trigger Price; or
- (iii) if Separate Valuation is specified as not applicable in the applicable Final Terms and, in respect of any Share comprising the Basket, any Monitoring Day where the amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Shares of each Company as the product of (a) the price of such Share as determined by the Calculation Agent as of the Trigger Valuation Time on the relevant Exchange on such Monitoring Day and (b) the relevant Weighting is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Trigger Price.

**Trigger Price** means either:

- (ii) if Separate Valuation is specified as applicable in the applicable Final Terms and, in respect of the Triggering Share comprising the Basket the price per Triggering Share specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions); or
- (iii) if Separate Valuation is specified as not applicable in the applicable Final Terms and, in respect of any Share comprising the Basket, the price per Basket specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 19(f) (Particular Provisions).

**Triggering Share** means in respect of any Monitoring Day, the Share specified as such in the applicable Final Terms.

**Trigger Valuation Time** means, in respect of any Share, the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(2) Consequences

If "*Range Accrual*" is specified as applicable in the Final Terms, then the provisions comprised in this Condition 19(f)(J) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(3) Consequences of Disrupted Days

If any Monitoring Day is a Disrupted Day in respect of any Share, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

(K) *Additional Provisions applicable to Depositary Receipt*

If any Share comprising the Basket specified in the applicable Final Terms is a Depositary Receipt and if Condition 19(f)(K) is specified as applicable in the applicable Final Terms, then the following provisions shall apply for this Share:

- (i) The definition of "*Potential Adjustment Event*" in Condition 19(f)(A)(1) shall include:
  - (I) the occurrence of any Potential Adjustment Event in relation to the Underlying Share represented by such Share; and
  - (II) the making of any amendment or supplement to the terms of the relevant Depositary Agreement.
- (ii) The definition of "*Merger Event*" in Condition 19(f)(C)(1) shall include the occurrence of any Merger Event in relation to the relevant Underlying Share.
- (iii) The definitions of "*Nationalisation*" and "*Insolvency Filing*" in Condition 19(f)(D)(1) shall be construed in relation to such Share as if reference to such Share were references to the Underlying Share.
- (iv) If the relevant Deposit Agreement is terminated, then on or after the date of such termination, references to such Share herein shall be replaced by references to the Underlying Share and the Calculation Agent will adjust, in its sole and absolute discretion, any relevant terms and will determine the effective date of such replacement and adjustments.
- (v) The definition of "*Market Disruption Event*" in Condition 19(c)(A) shall include the occurrence of a Market Disruption Event in relation to the relevant Underlying Share.

(L) *Additional Provisions applicable to Exchange Traded Fund*

If any Share comprising the Basket specified in the applicable Final Terms is a Unit in an Exchange Traded Fund and if Condition 19(f)(L) is specified as applicable in the applicable Final Terms, then the following provisions shall apply for this Share:

- (i) Condition 19(f)(D)(1) shall include the following definitions:

**Adjustment to the ETF Underlying Index** means, in respect of any ETF, that if (i) the sponsor of the ETF Underlying Index makes a material change in the formula for or the method of calculating the ETF Underlying Index or in any other way materially modifies the ETF Underlying Index (other than a modification prescribed in that formula or method to maintain the ETF Underlying Index in the event of changes in constituent stock and

capitalisation and other routine events) or (ii) the sponsor of the ETF Underlying Index fails to calculate and announce the ETF Underlying Index and no successor index using, in the determination of the Calculation Agent, a substantially similar formula for and method of calculation as used in the calculation of the ETF Underlying Index is announced and as a result there is a material change in the price of the Shares.

**Change of Investment Policy** means, in respect of any ETF, that the ETF Adviser of the Company effects or announces an intention to effect a change in the investment objectives, risk profile or investment guidelines of the Company in any material respect or makes any other material change to the terms and conditions of the Company such that the Shares cease to or are reasonably likely to cease to track the ETF Underlying Index.

**Liquidation** means, in respect of any ETF, that by reason of voluntary or involuntary liquidation or winding up of the ETF Administrator, the Shares are required to be transferred to a manager, trustee, liquidator or other similar official or holders of the Shares become legally prohibited from transferring them.

**Redemption of Shares** means, in respect of any ETF, that the Shares are redeemed in accordance with their terms or notice of such redemption is given to the holders of the Shares.

**Restrictions on Shares** means, in respect of any ETF, that the Shares cease to or are reasonably likely to cease to track the ETF Underlying Index by reason of (i) any failure by the ETF Adviser to act in accordance with the investment objectives, risk profile or investment guidelines of the Company, (ii) any restriction placed on the ability of the ETF Adviser to buy or sell shares or other property by any regulatory body, or (iii) any limitation on the ability of the ETF Adviser to buy or sell shares or other property by reason of liquidity, adverse market conditions or decrease in the assets of the Company, and in any such case, in the opinion of the Calculation Agent such situation is unlikely to be corrected within a reasonable period of time.

**Termination of ETF Adviser and/or ETF Administrator** means, in respect of any ETF, that (i) voluntary or involuntary liquidation, bankruptcy or any analogous insolvency proceedings including for the avoidance of doubt, bankruptcy, civil rehabilitation proceedings, corporate reorganisation proceedings, company arrangement or special liquidation are commenced with respect to the ETF Adviser or the ETF Administrator or (ii) the appointment of the ETF Adviser or ETF Administrator of the Company is terminated in accordance with its terms or notice of such termination is given to the holders of the Shares or (iii) the ETF Adviser or ETF Administrator of the Company fails to maintain or obtain, as the case may be, all required approvals and authorisations by the relevant financial and administrative authorities necessary to perform its obligations in respect of the Company and the Shares or (iv) it becomes illegal or impossible in the opinion of the Calculation Agent for the ETF Adviser or ETF Administrator of the Company to continue to act as ETF Adviser or ETF Administrator of the Company, and in any such case in the determination of the Calculation

Agent no appropriate successor is appointed to act as adviser or administrator, as the case may be, of the Company.

- (ii) Condition 19(f)(D)(2) shall be construed as if reference to Additional Adjustment Events were also references to "*Adjustment to ETF Underlying Index*", "*Change of Investment Policy*", "*Liquidation*", "*Redemption of Shares*", "*Restrictions on Shares*", "*Termination of Adviser and/or Administrator*" as defined above.
- (iii) The definition of "*Integral Number of Deliverable Shares*" in Condition 19(f)(I)(1) is deleted and replaced by the following: "*Integral Number of Shares*" means, in respect of each Note, an integral number of Deliverable Shares equal to the Relevant Number of Deliverable Shares rounded downwards to the ETF Minimum Tradable Quantity."
- (iv) The definition of "*Residual Cash Amount*" in Condition 19(f)(I)(1) is deleted and replaced by the following: "*Residual Cash Amount*" means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Deliverable Shares and (ii) the Ultimate Final Price divided by the Prevailing Exchange Rate (if any)."

## 20. Terms for Index Linked Notes (index basket)

This Condition applies if and as specified in the applicable Final Terms.

### (a) General Definitions

#### (A) Common definitions for Index Linked Notes

**Barrier Level** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Index, the level of such Index specified as such in the applicable Final Terms;

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms,

subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Basket** means a basket composed of each Index specified in the applicable Final Terms in the relative proportions specified in the applicable Final Terms.

**Basket Performance** means, in respect of any Index and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross-currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).



**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Final Level** means either:

(i) if Separate Valuation is specified as applicable in the applicable Final Terms, either:

(a) in respect of any Index and any Valuation Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Valuation Date PROVIDED that the Final Level will mean the Settlement Price relating to any Index as determined by the Calculation Agent on the Valuation Date if such date occurs on the Settlement Day for that Index;

OR

(b) in respect of any Index and the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Index is valued (with halves being rounded up)) of the Relevant Levels of such Index on each of such Averaging Dates;

OR

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, either:

(a) in respect of any Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on such Valuation Date and (ii) the relevant Weighting;

OR

(b) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Averaging Date as the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on each of such Averaging Dates and (ii) the relevant Weighting.

**Index** means each index specified as such in the applicable Final Terms as calculated and announced by the relevant Index Sponsor, subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Index Performance** means, in respect of any Index and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Initial Level** means either:

(i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Index, the level of such Index specified as such in the applicable Final Terms or, if no such level is specified in the applicable Final Terms, the level of such Index as determined by the Calculation Agent as of the Valuation Time on the Strike Date;

OR

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms or, if no such level is specified in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Level of such Index on the Strike Date and (ii) the relevant Weighting, subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Highest Index Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically highest Index Performance as determined by the Calculation Agent among the Index Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Highest Performing Index** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Index with the Highest Index Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Lowest Index Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically lowest Index Performance as determined by the Calculation Agent among the Index Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Lowest Performing Index** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Index with the Lowest Index Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those brackets.

**Multi Exchange Index** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, that the component securities of such Index are or deemed to be traded on several exchanges and accordingly that the

definitions comprised in Condition 20 relating to the Multi Exchange Index shall apply to such Index.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Relevant Level** means, in respect of any Index and any Averaging Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Averaging Date PROVIDED that Relevant Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Averaging Date if such date occurs on the Settlement Day for that Index.

**Settlement Day** means, in respect of any Index, the day occurring within the month prior to the Valuation Date on which options contracts or futures contracts relating to that Index are settled on their Related Exchange.

**Settlement Price** means, in respect of any Index, the official settlement price of options contracts or futures contracts relating to that Index as determined by the Calculation Agent on any Valuation Date, Averaging Date, Knock-in Determination Day, Knock-out Determination Day, Automatic Early Redemption Averaging Date or Automatic Early Redemption Valuation Date for that Index.

**Single Exchange Index** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, that the component securities or other assets of such Index are or deemed to be traded on the same exchange and accordingly that the definitions comprised in Condition 20 relating to the Single Exchange Index shall apply to such Index.

**Weighting** or  $W_i$  means, in respect of each Index comprised in the Basket, the percentage or the fraction in respect of such Index specified as such in the applicable Final Terms.

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

$\geq$  means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

$\leq$  means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

$| |$  or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

$^{[n]}$  means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

(B) *Definitions specific to Single Exchange Index*

**Exchange** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the exchange or quotation system as determined by the

Calculation Agent which is on the Issue Date specified as such or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in the component securities or other assets underlying this Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the shares underlying this Index on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, any Scheduled Trading Day on which the relevant Exchange and, if any, the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

**Index Sponsor** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to this Index and (b) announces (directly or through an agent) the level of this Index on a regular basis during each relevant Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Related Exchange** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to this Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to this Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Scheduled Closing Time** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index and in respect of the relevant Exchange or, if any, the relevant Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or, if any, the Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

**Scheduled Trading Day** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**Valuation Time** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date or Strike Date or Ultimate Strike Date or Ultimate Valuation Date or Ultimate Averaging Date. If such Exchange closes prior to its Scheduled Closing

Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

(C) *Definitions specific to Multi Exchange Index*

**Exchange** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index and in respect of each component security of this Index (each, a **Component Security**), the principal stock exchange on which such Component Security is principally traded, as determined by the Calculation Agent on the Issue Date or otherwise specified in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Exchange Business Day** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, any Scheduled Trading Day on which: (i) the relevant Index Sponsor publishes the level of this Index and, if any, (ii) the relevant Related Exchange is open for trading during its regular trading session, notwithstanding any Exchange or, if any, the relevant Related Exchange closing prior to its Scheduled Closing Time.

**Index Sponsor** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, the corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to this Index and (b) announces (directly or through an agent) the level of this Index on a regular basis during each Scheduled Trading Day, which is on the Issue Date specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 20(f) (Particular Provisions) below.

**Related Exchange** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, the exchange or quotation system where futures or options contracts relating to the Index are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in futures or options contracts relating to this Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to this Index on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Scheduled Closing Time** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index and in respect of each Component Security, the scheduled weekday closing time of the relevant Exchange, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

**Scheduled Trading Day** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, any day on which: (i) the relevant Index Sponsor is scheduled to publish the level of this Index; and (ii) the relevant Related Exchange is scheduled to be open for trading for its regular trading session.

**Valuation Time** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, (i) for the purposes of determining whether a Market Disruption Event has occurred: (a) in respect of any Component Security, the Scheduled Closing Time on the relevant Exchange in respect of such Component Security, and (b) in respect of any options contracts or future contracts on this Index,

the close of trading on the relevant Related Exchange; and (ii) in all other circumstances, the time at which the official closing level of this Index is calculated and published by the relevant Index Sponsor.

**(b) Valuation**

**(A) Strike Date**

**Strike Date** means, in respect of any Index, the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) below.

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

**(B) Valuation Date**

**Valuation Date** means, in respect of any Index, each date specified as such in the applicable Final Terms or, if any of such dates is not a Scheduled Trading Day, the next following Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) below.

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

**(C) Averaging Date**

**Averaging Date** means, in respect of any Index, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Valid Date, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) below.

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

**(c) Consequences of Disrupted Day(s)**

**(A) Definitions**

**(i) Definitions specific to Single Exchange Index**

**Disrupted Day** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, any Scheduled Trading Day on which the Exchange or, if any, the Related Exchange fails to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**Early Closure** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the closure on any Exchange Business Day of any relevant Exchange relating to securities that comprise 20% or more of the level of this Index or, if any, the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to

the earlier of (i) the actual closing time for the regular trading session on such Exchange or any Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**Exchange Disruption** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, securities that comprise 20% or more of the level of this Index on any relevant Exchange relating to securities that comprise 20% or more of the level of the Index, or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Index on the relevant Related Exchange.

**Market Disruption Event** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time, or (iii) an Early Closure. For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of this Index shall be based on a comparison of (x) the portion of the level of this Index attributable to that security and (y) the overall level of this Index, in each case immediately before the occurrence of such Market Disruption Event.

**Trading Disruption** means, in respect of any Index specified in the applicable Final Terms to be a Single Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) on any relevant Exchange relating to securities that comprise 20% or more of the level of this Index, or (ii) in futures or options contracts relating to this Index on the relevant Related Exchange.

(ii) Definitions specific to Multi Exchange Index

**Disrupted Day** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, any Scheduled Trading Day on which: (i) the Index Sponsor fails to publish the level of this Index; (ii) the Related Exchange fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

**Early Closure** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, the closure on any Exchange Business Day of the Exchange in respect of any Component Security or the

Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or, if any, the Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or, if any, the Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**Exchange Disruption** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) any Component Security on the Exchange in respect of such Component Security; or (ii) futures or options contracts relating to this Index on the Related Exchange.

**Market Disruption Event** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, either:

- (ii) (a) the occurrence or existence, in respect of any Component Security, of:
  - (1) a Trading Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; AND/OR
  - (2) an Exchange Disruption in respect of such Component Security, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Component Security is principally traded; AND/OR
  - (3) an Early Closure in respect of such Component Security; AND



- (b) the aggregate of all Component Securities in respect of which a Trading Disruption and/or, an Exchange Disruption and/or an Early Closure occurs or exists comprises 20% or more of the level of this Index; OR
- (iii) the occurrence or existence, in respect of futures or options contracts relating to this Index, of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the level of this Index triggers respectively the Knock-in Level or the Knock-out Level or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Related Exchange; or (c) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Component Security at any time, if a Market Disruption Event occurs in respect of such Component Security at that time, then the relevant percentage contribution of that Component Security to the level of this Index shall be based on a comparison of (x) the portion of the level of this Index attributable to that Component Security to (y) the overall level of this Index, in each case using the official opening weightings as published by the Index Sponsor as part of the market "opening data".

**Trading Disruption** means, in respect of any Index specified in the applicable Final Terms to be a Multi Exchange Index, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise: (i) relating to any Component Security on the Exchange in respect of such Component Security; or (ii) in futures or options contracts relating to this Index on the Related Exchange.

(B) *Provisions*

(1) **Strike Date**

If, in respect of any Index, the Strike Date is a Disrupted Day, then the Strike Date for this Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Relevant Level of such Index on the Strike Date shall be determined by the Calculation Agent as of the Valuation Time on the Ultimate Strike Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 20(f) (*Particular Provisions*) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted price as of the Valuation Time on the Ultimate Strike Date of each

security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Strike Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Strike Date).

**Ultimate Strike Date** means, in respect of any Index, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Valuation Date

If, in respect of any Index, any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) relevant Relevant Level of such Index on such Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Valuation Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) the formula for and method of calculating this Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on such Ultimate Valuation Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on such Ultimate Valuation Date, its good faith estimate of the value for the relevant security as of the Valuation Time on such Ultimate Valuation Date).

**Ultimate Valuation Date** means, in respect of any Index and Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) Averaging Date

If, in respect of any Index, any Averaging Date is a Disrupted Day, then this Averaging Date for this Index shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date for this Index (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) Relevant Level of such Index on such Averaging Date shall be determined by the Calculation Agent as of the Valuation Time in accordance with (subject to

"Particular Provisions" set forth in Condition 20(f) (Particular Provisions) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on the Ultimate Averaging Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Averaging Date).

**Ultimate Averaging Date** means, in respect of any Index, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the level of the Index triggers the Knock-in Level or the Knock-out Level, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

(d) ***Knock-in Event and Knock-out Event***

Common definitions for Index Linked Notes (index basket)

(A) ***Knock-in Event***

**Knock-in Event** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, that the level(s) of any Knock-in Index(ices) as of the Knock-in Valuation Time of a number of Knock-in Indices equal to the Knock-in Number of Indices on any Knock-in Determination Day as determined by the Calculation Agent,

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, that the amount for the Basket determined by the Calculation Agent

equal to the sum of the values of each Knock-in Index as the product in respect of each Knock-in Index of (i) the level of such Knock-in Index as of the Knock-in Valuation Time on any Knock-in Determination Day and (ii) the relevant Weighting,

is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Level.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Index** means the Index specified as such in the applicable Final Terms.

**Knock-in Level** means either

(i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Knock-in Index, the level of such Knock-in Index specified as such in the applicable Final Terms,

OR

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 20(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Number of Indices** means the number specified as such in the applicable Final Terms, or, if no number is specified, the Knock-in Number of Indices shall be deemed to equal one.

**Knock-in Determination Day** means, in respect of any Index, each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means, in respect of any Index, the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means, in respect of any Index, the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means, in respect of any Index, the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means, in respect of any Index, the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms

or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, the level(s) of any Knock-out Index(ices) as of the Knock-out Valuation Time of a number of Knock-out Indices equal to the Knock-out Number of Indices on any Knock-out Determination Day as determined by the Calculation Agent,

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Knock-out Index as the product in respect of each Knock-out Index of (i) the level of such Knock-out Index as of the Knock-out Valuation Time on any Knock-out Determination Day and (ii) the relevant Weighting,

is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Level.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Index** means the Index specified as such in the applicable Final Terms.

**Knock-out Level** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Knock-out Index, the level of such Knock-out Index specified as such in the applicable Final Terms,

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 20(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Number of Indices** means the number specified as such in the applicable Final Terms, or, if no number is specified, the Knock-out Number of Indices shall be deemed to equal one.

**Knock-out Determination Day** means, in respect of any Index, each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 20(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means, in respect of any Index, the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means, in respect of any Index, the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means, in respect of any Index, the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means, in respect of any Index, the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time

(e) ***Automatic Early Redemption***

Common definitions and provisions for Index Linked Notes (index basket)

(A) ***Definitions***

**Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Basket Level is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level.

**Automatic Early Redemption Level** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, the level(s) of any Index(ices) specified as such in the applicable Final Terms of a number of Indices equal to the Automatic Early Redemption Number of Indices specified in the applicable Final Terms,

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms,

subject to "Adjustment to the Index" set forth in Condition 20(f) (Particular Provisions) below.

**Automatic Early Redemption Number of Indices** means the number specified as such in the applicable Final Terms, or, if no number is specified, the Automatic Early Redemption Number of Indices shall be deemed to equal one.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Basket Level** means either:

(i) if Separate Valuation is specified as applicable in the applicable Final Terms:

(a) in respect of any Index and any Automatic Early Redemption Valuation Date, the level of such Index as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date PROVIDED that Basket Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Automatic Early Redemption Valuation Date if such date occurs on the Settlement Day for that Index;

OR

(b) in respect of any Index and the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Index is valued (with halves being rounded up)) of the Relevant Levels of such Index on each of such Automatic Early Redemption Averaging Dates PROVIDED that Basket Level will mean the Settlement Price relating to that Index as determined by the Calculation Agent on such Automatic Early Redemption Averaging Date if such date occurs on the Settlement Day for that Index;

AND

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms:

(a) in respect of any Automatic Early Redemption Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product of (i) the Relevant Level of such Index on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting

OR

- (b) in respect of the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Automatic Early Redemption Averaging Dates as the sum of the values of each Index as the product in respect of each Index of (i) the Relevant Levels of such Index on each of such Automatic Early Redemption Averaging Dates and (ii) the relevant Weighting.

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

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If, in respect of any Index, any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date for this Index shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date for this Index, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Relevant Level of such Index on such Automatic Early Redemption Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date in accordance with (subject to adjustments to the Index set forth in Condition 20(f) (Particular Provisions) below) the formula for and method of calculating the Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation



Date of each security comprised in this Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Valuation Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date).

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Index and in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If, in respect of any Index, any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date for this Index shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date for this Index shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Calculation Agent shall determine the level of the Index as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date in accordance with (subject to adjustments to the Index set forth in Condition 20(f) (Particular Provisions) below) the formula for and method of calculating that Index last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted price as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date of each security comprised in that Index (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Averaging Date, its good faith estimate of the value for the relevant security as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date).

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Index and any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) **Particular Provisions**

- (i) If any Index is (i) not calculated and announced by the relevant Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of this Index, then in each case that index (the **Successor Index**) will be deemed to be such Index and the Conditions shall be construed accordingly.
- (ii) If, in respect of any Index, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the relevant Index Sponsor (a) announces that it will make a material change in the formula for or the method of calculating this Index or in any other way materially modifies this Index (other than a modification prescribed in that formula or method to maintain this Index in the event of changes in constituent stock and capitalisation and other routine events) (an **Index Modification**) or permanently cancels this Index and no Successor Index exists (an **Index Cancellation**) or (b) fails to calculate and announce this Index (an **Index Disruption** (provided for the avoidance of doubt that a successor sponsor calculating and announcing this Index determined as unacceptable by the Calculation Agent shall be an Index Disruption) and together with an Index Modification and an Index Cancellation, each an **Index Adjustment Event**), then, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:
- (I) calculate the level of this Index in accordance with the formula for and method of calculating this Index last in effect prior to the change, failure or cancellation, but using only those securities that comprised this Index immediately prior to the Index Adjustment Event; or (but not and)
  - (II) replace this Index by this Index as so modified or by the new index (as the case may be), provided that in such case, (a) the Calculation Agent will make such adjustments to the new index as may be required in order to preserve the economic equivalent of the obligation of the Issuer to make payment of any amount due and payable under the Notes linked to this Index as if such new or modified index had not replaced this Index and, if need be, will multiply the modified or new index by a linking coefficient to do so as determined by the Calculation Agent and (b) the Noteholders will be notified of the modified Index or the new index (as the case may be) and, if need be, of the linking coefficient; or (but not and)
  - (III) if Monetisation is specified as applicable in the relevant Final Terms, to apply the Monetisation provisions set forth in paragraph 20(g) below; or (but not and)
  - (IV) if so specified as applicable in the relevant Final Terms, require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Business Day following notification by the Calculation Agent to the Issuer that the

Calculation Agent has determined that the event referred to in this paragraph (ii) has occurred.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 20 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 20 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 20 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 20 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

- (iii) In the event that, in respect of any Index, any level announced by the relevant Index Sponsor which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction (the **Corrected Value**) is announced by this Index Sponsor within two Scheduled Trading Days after the original publication and in any case not later than the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it considers it to be necessary, the Calculation Agent may, in its sole and absolute discretion, adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original

Determination is announced by this Index Sponsor after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

(iv) If, in respect of any Index, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent determines, in its sole and absolute discretion, that a Change in Law or a Hedging Disruption (where specified as applicable in the relevant Final Terms) or an Increased Cost of Hedging (where specified as applicable in the relevant Final Terms) occurs, then it shall forthwith notify the Issuer of such event and the Issuer may elect, in its sole and absolute discretion, either:

(I) to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes as it, in its sole and absolute discretion, considers to be appropriate, and determine, in its sole and absolute discretion, the effective date of such adjustment(s);

OR (but not and)

(II) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:~~ apply the Monetisation provisions set forth in paragraph 20(g) below;

~~(b) applying the Monetisation provisions set forth in paragraph 20(g) below; and~~

~~(c) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (III) below;~~

OR (but not and)

(III) to redeem all (but not some only) of the Notes on the tenth Business Day (such day being an **Early Redemption Date**) following the day (or, if such day is not a Business Day, the first Business Day following the day) on which the Issuer receives notice from the Calculation Agent that such event has occurred (such day being a **Notification Date**). The Notes shall be redeemed on the Early Redemption Date at the Early Redemption Amount determined by the Calculation Agent as of the Notification Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. The Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law

Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 20 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 20 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 20 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 20 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

Where:

**Change in Law** means, unless otherwise determined in the relevant Final Terms, that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation, rule or procedure of any exchange (an **Applicable Regulation**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), any of the Issuer or NATIXIS determines that (X) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Hedge Positions** means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by NATIXIS in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

**Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements, at any time with respect to the Notes, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**Hedging Disruption** means, where specified as applicable in the relevant Final Terms, that NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements, is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging** means, , where specified as applicable in the relevant Final Terms, that NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements, would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements, shall not be deemed an Increased Cost of Hedging.

- (v) The Calculation Agent shall as soon as practicable provide detailed notice of any determinations and/or adjustments, as the case may be, made and notified to the Issuer by the Calculation Agent pursuant to the paragraphs (i), (ii) or (iv) of this Condition 20(f) (Particular Provisions), whereupon the Issuer shall promptly provide detailed notice to the Fiscal Agent and to the Noteholders in accordance with the Conditions of such determinations and/or adjustments made and notified by the Calculation Agent.

**(g) *Monetisation***

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms, and a Monetisation Event occurs that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and Structured Note interest amount but Essential Trigger is specified as not applicable in the relevant Final Terms, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and equal to the product of:

- (i) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (ii) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 20(g):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in Condition 20(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in Condition 20(f) (Particular Provisions).

**Monetisation Formula** means the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

**(h) *Range Accrual***

**(A) *Definitions***

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day for each Index comprising the Basket, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means any Monitoring Day where either:

(i) if Separate Valuation is specified as applicable in the applicable Final Terms, the level of the Triggering Index as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day;

OR

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Index as the product in respect of each Index of (i) the level of such Index as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day and (ii) the relevant Weighting,

is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the relevant Trigger Level.

**Trigger Level** means either:

(i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Index, the level of such Index specified as such in the applicable Final Terms;

OR

(ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such in the applicable Final Terms,

subject to "*Particular Provisions*" set forth in Condition 20(f) above.

**Triggering Index** means, if Separate Valuation is specified as applicable in the applicable Final Terms and in respect of any Monitoring Day, the Index specified as such in the applicable Final Terms.

**Trigger Valuation Time** means, in respect of any Index, the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(B) *Provisions*

If **Range Accrual** is specified as applicable in the Final Terms, then the provisions comprised in this Condition 20(h) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(C) *Consequences of Disrupted Days*



If any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

**21. Terms for Commodity Linked Notes (single commodity)**

This Condition applies to Commodity Linked Notes (single commodity) if and as specified in the Final Terms.

**(a) General Definitions**

**APX** means the Amsterdam Power Exchange N.V., or its successor.

**Barrier Price** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below.

**Bullion** means Gold, Silver, Platinum or Palladium, or any other metal specified in the applicable Final Terms, as the case may be.

**Bullion Reference Dealers** means, with respect to any Bullion for which the relevant Commodity Reference Price is "*Commodity Reference Dealers*", the four major dealers that are the members of the LBMA specified in the Final Terms, or if no such Bullion Reference Dealers are specified, selected by the Calculation Agent, in each case, acting through their principal London offices.

**COMEX** means the Commodity Exchange Inc., New York, or its successor.

**Commodity** means (a) (i) the commodity, (ii) the options contract relating to a commodity, (iii) the futures contract relating to a commodity, (iv) the options contract relating to a futures contract relating to a commodity, (v) the swap agreement relating to any of paragraphs (i) to (iv), or (vi) any other agreement, derivative or otherwise, relating to a commodity, or (b) Bullion, if specified as the commodity in paragraphs (i) to (vi) above, in each case, as specified in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below.

**Commodity Business Day** means:

- (i) in respect of any Commodity (other than Bullion) for which the Commodity Reference Price is a Price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) an Exchange Business Day;
- (ii) in respect of any Commodity (other than Bullion) for which the Commodity Reference Price is not a Price announced or published by an Exchange, a day in respect of which the relevant Commodity Reference Price Sponsor or Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a Price; and
- (iii) in respect of any Commodity which is Bullion, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in such location as the Issuer or the Calculation Agent may determine to be the place where payment would be or is to be made for such Bullion under any related hedging arrangements.

**Commodity Performance** means, in respect of any Valuation Date and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Commodity Reference Dealers** means that the Price for a date will be determined on the basis of quotations provided by Reference Dealers or Bullion Reference Dealers, as the case may be, on that date of that day's Specified Price for the relevant Commodity, if applicable. If four quotations are provided as requested, the Price for that date will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer or Bullion Reference Dealer, as the case may be, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the price for that date will be the Specified Price provided by the relevant Reference Dealer or Bullion Reference Dealer, as the case may be, that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value and lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the price for the date cannot be determined.

**Commodity Reference Price** means the Price of the Commodity specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below.

**Commodity Reference Price Sponsor** means any corporation or other entity that (a) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Commodity Reference Price and (b) announces (directly or through an agent) the Commodity Reference Price on a regular basis during each business day, which is specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below, or if not so specified, the relevant Exchange.

**Disappearance of the Commodity Reference Price** means, in relation to a Commodity Reference Price, (a) the permanent discontinuation of trading in the relevant Commodity on the relevant Exchange; (b) the disappearance of, or of trading in, the relevant Commodity; or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of any related Price Source or the status of trading in the relevant Commodity.

**Exchange** means the exchange or quotation system where the Commodity is mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified as such in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in the Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Commodity on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means any Scheduled Trading Day on which the Exchange and, if any, the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such

rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Final Price** means either:

- (i) in respect of any Valuation Date, the Price of the Commodity as determined by the Calculation Agent as of the Valuation Time on such Valuation Date; or
- (ii) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Commodity is valued (with halves being rounded up)) of the Relevant Prices on each Averaging Date.

**Gold** means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**ICE or Futures ICE** means The Intercontinental Exchange® (ICE®) or its successor.

**Initial Price** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms or, if no such Price is specified or otherwise determined in the applicable Final Terms, the Price of the Commodity as determined by the Calculation Agent as of the Valuation Time on the Strike Date, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below.

**KSCBT** means the Kansas City Board of Trade or its successor.

**LBMA** means the London Bullion Market Association or its successor.

**LME** means the London Metal Exchange Limited or its successor.

**LPPM** means the London Platinum and Palladium Market or its successor.

**Material Change in Content** means, in respect of a Commodity, the occurrence since the Issue Date of a material change in the content, composition or constitution of the relevant Commodity.

**Material Change in Formula** means, in respect of a Commodity, the occurrence since the Issue Date of a material change in the formula for or method of calculating the relevant Commodity Reference Price.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those square brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those square brackets.

**NORDPOOL** means the Nord Pool ASA (The Nordic Power Exchange) or its successor.

**NYMEX** means the New York Mercantile Exchange or its successor.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Ounce** means a troy ounce.

**Palladium** means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**Platinum** means platinum ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**Price** means the price, level or rate of the Commodity, as applicable.

**Price Materiality Percentage** means the percentage specified in the applicable Final Terms, if any.

**Price Source** means, in respect of a Commodity, the publication (or such other origin of reference, including an Exchange or a Commodity Reference Price Sponsor) containing (or reporting) the Specified Price (or prices from which the Specified Price is calculated) specified in the definition of the relevant Commodity Reference Price in the Final Terms.

**Price Source Disruption** means, in respect of a Commodity, (a) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; (b) the temporary or permanent discontinuance or unavailability of the Price Source; (c) if the Commodity Reference Price is "*Commodity Reference Dealers*", the failure to obtain at least three quotations as requested from the relevant Reference Dealers or Bullion Reference Dealers, if applicable; or (d) if a Price Materiality Percentage is specified in the relevant Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price specified as "*Commodity Reference Dealers*" by such Price Materiality Percentage.

**Reference Dealers** means, in respect of a Commodity (other than Bullion) for which the Commodity Reference Price is "*Commodity Reference Dealers*", the four dealers specified in the Final Terms or, if dealers are not so specified, four leading dealers in the relevant market selected by the Issuer.

**Related Exchange** means the exchange or quotation system where futures or options contracts relating to the Commodity are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified as such in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in the Commodity or futures and options contracts relating to the Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures and options contracts relating to the Commodity on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Relevant Price** means, in respect of any Averaging Date, the Price of the Commodity as determined by the Calculation Agent as of the Valuation Time on such Averaging Date.

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

**Scheduled Trading Day** means any day on which the Exchange and, if any, the Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**Silver** means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**SIMEX** means the Singapore International Monetary Exchange Inc. or its successor.

**Specified Price** means, in respect of a Commodity Reference Price, any of the following Prices (which must be a Price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the relevant Final Terms (and, if applicable, as of the time so specified): (a) the high Price; (b) the low Price; (c) the average of the high Price and the low Price; (d) the closing Price; (e) the opening Price; (f) the bid Price; (g) the asked Price; (h) the average of the bid Price and the asked Price; (i) the settlement Price; (j) the official settlement Price; (k) the official Price; (l) the morning fixing; (m) the afternoon fixing; (n) the fixing; (o) the spot Price; or (p) any other Price specified in the relevant Final Terms.

**Tax Disruption** means, in respect of a Commodity, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price on the day on which the Commodity Reference Price would otherwise be determined from what it would have been without that imposition, change or removal.

**Valuation Time** means the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Strike Date or Ultimate Strike Date or Ultimate Valuation Date or Ultimate Averaging Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

≥ means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

≤ means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

| | or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

<sup>n</sup> means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

**(b) Valuation**

(A) *Strike Date*

**Strike Date** means the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) below.

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

(B) *Valuation Date*

**Valuation Date** means any Actual Exercise Date or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day or has such other meaning as is specified in the applicable Final Terms, all subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) below.

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

(C) *Averaging Date*

**Averaging Date** means, in respect of any Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Valid Date, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) below.

**Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) *Consequences of Disrupted Day(s)*

(A) *Definitions*

**Disrupted Day** means any Scheduled Trading Day on which (i) the Exchange or, if any, the Related Exchange fails to open for trading during its regular trading session, (ii) the Commodity Reference Price Sponsor fails to publish the Commodity Reference Price, or (iii) on which a Market Disruption Event has occurred.

**Early Closure** means the closure on any Exchange Business Day of any relevant Exchange relating to the Commodity or, if any, the Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, the Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or, if any, such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the Exchange or, if any, the Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**Exchange Disruption** means any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, the Commodity on any relevant Exchange (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to the Commodity on the relevant Related Exchange.

**Market Disruption Event** means the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, (iii) a Price Source Disruption which in each case the Calculation Agent determines is material, at any time during the one hour

period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the Price of the Commodity triggers respectively the Knock-in Price or the Knock-out Price or (b) in all other circumstances that ends at the relevant Valuation Time, or (iv) an Early Closure.

**Trading Disruption** means any suspension of or limitation imposed on trading of the Commodity by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise.

(B) *Provisions*

(1) Strike Date

If the Strike Date is a Disrupted Day, then the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time on the Ultimate Strike Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below) the formula for and method of calculating the Price of the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on the Ultimate Strike Date of the Commodity (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Strike Date, its good faith estimate of the value for the relevant security as of the Valuation Time on the Ultimate Strike Date).

**Ultimate Strike Date** means the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Valuation Date

If any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time on that Ultimate Valuation Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions)) the formula for and method of calculating the Price of the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation

Time on such Ultimate Valuation Date of the Commodity (or, if an event giving rise to a Disrupted Day has occurred in respect of the Commodity on such Ultimate Valuation Date, its good faith estimate of the value of the Commodity as of the Valuation Time on such Ultimate Valuation Date).

**Ultimate Valuation Date** means, in respect of any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) Averaging Date

If any Averaging Date is a Disrupted Day, then this Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time for that Averaging Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 21(f) (*Particular Provisions*) below) the formula for and method of calculating the Price of the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on the Ultimate Averaging Date of the Commodity (or, if an event giving rise to a Disrupted Day has occurred in respect of the Commodity on the Ultimate Averaging Date, its good faith estimate of the value of the Commodity as of the Valuation Time on the Ultimate Averaging Date).

**Ultimate Averaging Date**, in respect of any Observation Period, means the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.



If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the Price of the Commodity triggers the Knock-in Price or the Knock-out Price, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

**(d) *Knock-in Event and Knock-out Event***

**(A) *Knock-in Event***

**Knock-in Event** means that the Price of the Commodity determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Price** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below and "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Day** means each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) above.

**Knock-in Determination Period** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

**(B) *Knock-out Event***

**Knock-out Event** means that the Price of the Commodity determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out

Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Price** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) below and "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Day** means each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 21(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or, in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time

(e) ***Automatic Early Redemption***

(A) *Definitions*

**Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Commodity Price is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price.

**Automatic Early Redemption Price** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms, subject to Condition 21(f) (Particular Provisions) below.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Commodity Price** means either:

- (i) in respect of any Automatic Early Redemption Valuation Date, the Price of the Commodity as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date; or
- (ii) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Commodity is valued (with halves being rounded up)) of the Specified Prices on each of such Automatic Early Redemption Averaging Dates.

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

**Specified Price** means, in respect of any Automatic Early Redemption Averaging Date, the Price of the Commodity as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Averaging Date.

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date in accordance with (subject to Condition 21(f) (Particular Provisions) below) the formula for and method of calculating the Price of the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date of the Commodity (or, if an event giving rise to a Disrupted Day has occurred in respect of the Commodity on that Ultimate Automatic Early Redemption Valuation Date, its good faith estimate of the value of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date).

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date in accordance with (subject to Condition 21(f) (Particular Provisions) below) the formula for and method of calculating the Price of the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date of the Commodity

(or, if an event giving rise to a Disrupted Day has occurred in respect of the Commodity on that Ultimate Automatic Early Redemption Averaging Date, its good faith estimate of the value of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date).

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

**(f) Particular Provisions**

- (i) If the Commodity Reference Price is (i) neither determined nor calculated and announced by the relevant Exchange or Commodity Reference Price Sponsor but is calculated and announced by a successor exchange or Commodity Reference Price Sponsor acceptable to the Calculation Agent (the **Successor**) or (ii) replaced by a successor commodity using, in the determination of the Calculation Agent, the same or substantially similar specifications or formula for, and method of, calculation as used in the determination or calculation of the Commodity Reference Price, then in each case that commodity (the **Successor Commodity**) will be deemed to be the Commodity and the Conditions shall be construed accordingly.
- (ii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, (a) the relevant Exchange or Commodity Reference Price Sponsor (x) announces that it will make a Material Change in Formula (other than a modification prescribed in that formula or method relating to the Commodity), a Material Change in Content (other than a modification in the event of prescribed changes in its content, composition or constitution and other routine events) (a **Commodity Modification**), or the Disappearance of the Commodity Reference Price and no Successor Commodity exists (a **Commodity Cancellation**) (or any such event occurs without any such announcement) or (y) fails to calculate and announce the Price of the Commodity (a **Commodity Disruption** (provided for the avoidance of doubt that any successor exchange or sponsor calculating or determining and announcing the Commodity is determined as unacceptable by the Calculation Agent shall be a Commodity Disruption) and, together with a Commodity Modification and a Commodity Cancellation, each a **Commodity Adjustment Event**), or (b) a Tax Disruption occurs, then, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:
  - (I) calculate the Commodity Reference Price in accordance with the formula for, and method of, calculating the Commodity Reference Price last in effect prior to the Commodity Adjustment Event or Tax Disruption; or (but not and)

- (II) replace the Commodity by the Commodity as so modified or by the new commodity or commodities or commodity related agreement(s) (as the case may be), provided that in such case (a) the Calculation Agent will make such adjustments to the new or modified commodity or commodities or commodity related agreement(s) as may be required in order to preserve the economic equivalent of the obligation of the Issuer to make payment of any amount due and payable under the Notes relating to the Commodity as if such new or modified commodity or commodities or commodity related agreement(s) had not replaced the Commodity and, if need be, will multiply the new or modified commodity or commodities or commodity related agreement(s) by a linking coefficient to preserve such economic equivalent as determined by the Calculation Agent and (b) the Noteholders will be notified of the modified Commodity or the new commodity or commodities or commodity related agreement(s) (as the case may be) and, if need be, of the linking coefficient; or (but not and)
- (III) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:~~apply the Monetisation provisions set forth in Condition 21(g) (Monetisation) below;
- ~~(b) applying Monetisation provisions set forth in Condition 21(g) (Monetisation) above; or~~
- ~~(c) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (IV) below;~~

OR (but not and)

- (IV) terminate its obligations in relation to each Note by paying an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Commodity Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in this paragraph (ii) has occurred.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 21 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 21 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final

Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 21 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 21 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(iii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent determines, in its sole and absolute discretion, that a Change in Law or a Hedging Disruption or an Increased Cost of Hedging occurs then it shall forthwith notify the Issuer of such event and the Issuer may elect, in its sole and absolute discretion, either:

(I) to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes as it, in its sole and absolute discretion, considers to be appropriate, and determine, in its sole and absolute discretion, the effective date of such adjustment(s);

OR (but not and)

(II) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options: (a) to applying~~ apply the Monetisation provisions set forth in Condition 21(g) (Monetisation) below; ~~or~~

~~(b) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (III) below;~~

OR (but not and)

(III) to redeem all (but not some only) of the Notes on the tenth Business Day (such day being an **Early Redemption Date**) following the day (or, if such day is not a Business Day, the first Business Day following the day) on which the Issuer receives notice from the Calculation Agent that such event has occurred (such day being a **Notification Date**). The Notes shall be redeemed on the Early Redemption Date at the Early Redemption Amount determined by the Calculation Agent as of the Notification Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. The Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

Where:

**Change in Law** means, unless otherwise determined in the relevant Final Terms, that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation, rule or procedure of any exchange (an **Applicable Regulation**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority) any of, the Issuer or NATIXIS determines that (X) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Hedge Positions** means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by NATIXIS in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

**Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements at any time with respect to the Notes, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**Hedging Disruption** means, where specified as applicable in the relevant Final Terms, unless otherwise determined in the relevant Final Terms, that NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms that NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of



any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements shall not be deemed an Increased Cost of Hedging.

- (iv) In the event that any Price announced by the Exchange or Commodity Reference Price Sponsor which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction (the **Corrected Value**) is announced by the relevant Exchange or Commodity Reference Price Sponsor within two Scheduled Trading Days after the original publication and in any case not later than the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it considers it to be necessary, the Calculation Agent may, in its sole and absolute discretion, adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by the Commodity Reference Price Sponsor after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

- (v) The Calculation Agent shall as soon as practicable provide detailed notice of any determinations and/or adjustments, as the case may be, made and notified to the Issuer by the Calculation Agent pursuant to paragraphs (i), (ii) or (iv) of this Condition 21(f) (Particular Provisions), whereupon the Issuer shall promptly provide detailed notice to the Fiscal Agent and to the Noteholders in accordance with the Conditions of such determinations and/or adjustments made and notified by the Calculation Agent.

**(g) *Monetisation***

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and a Monetisation Event occurs but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and equal to the product of:

- (i) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (ii) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 21(g):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its sole and absolute discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in Condition 21(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in Condition 21(f) (Particular Provisions).

**Monetisation Formula** means ~~either~~ the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

**(h) *Range Accrual***

**(A) *Definitions***

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence

on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means any Monitoring Day where the Price of the Commodity as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Trigger Level.

**Trigger Level** means the Price of the Commodity specified as such or otherwise determined in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) above.

**Trigger Valuation Time** means the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(B) *Provisions*

If **Range Accrual** is specified as applicable in the Final Terms, then the provisions comprised in this Condition 21(h) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(C) *Consequences of Disrupted Days*

If any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

**22. Terms for Commodity Linked Notes (basket of commodities)**

This Condition applies to Commodity Linked Notes (basket of commodities) if and as specified in the applicable Final Terms.

(a) **General Definitions**

(A) *Common definitions*

**APX** means the Amsterdam Power Exchange N.V. or its successor.

**Basket** means a basket composed of each Commodity specified in the applicable Final Terms in the relative proportions specified in the applicable Final Terms.

**Barrier Price** means either:

- (i) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Commodity, the Price of such Commodity specified as such or otherwise determined in the applicable Final Terms;

OR

- (ii) If Separate Valuation is specified as not applicable in the applicable Final Terms, the level per Basket specified as such or otherwise determined in the applicable Final Terms or, if no such Price is specified or otherwise determined in the applicable Final Terms, no Barrier Price shall be applicable,

subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below.

**Basket Performance** means, in respect of any Valuation Date and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Bullion** means Gold, Silver, Platinum or Palladium, or any other metal specified in the applicable Final Terms, as the case may be.

**Bullion Reference Dealers** means, with respect to any Bullion for which the relevant Commodity Reference Price is "*Commodity Reference Dealers*", the four major dealers that are the members of the LBMA specified in the Final Terms, or if no such Bullion Reference Dealers are specified, selected by the Calculation Agent, in each case, acting through their principal London offices.

**COMEX** means the Commodity Exchange Inc., New York or its successor.

**Commodity** means (a) (i) the commodity, (ii) the options contract relating to a commodity, (iii) the futures contract relating to a commodity, (iv) the options contract relating to a futures contract relating to a commodity, (v) the swap agreement relating to any of paragraphs (i) to (iv), or (vi) the other agreement, derivative or otherwise, relating to a commodity or (b) Bullion, if specified as the relevant commodity relating to any of paragraphs (i) to (vi), in each case, specified in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below.

**Commodity Business Day** means (a) in respect of any Commodity (other than Bullion) for which the Commodity Reference Price is a Price announced or published by an Exchange, a day that is (or, but for the occurrence of a Market Disruption Event, would have been) an Exchange Business Day; (b) in respect of any Commodity (other than Bullion) for which the Commodity Reference Price is not a Price announced or published by an Exchange, a day in respect of which the relevant Commodity Reference Price Sponsor or Price Source published (or, but for the occurrence of a Market Disruption Event, would have published) a Price; and (c) in respect of any Commodity which is Bullion, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London and New York and in such location as the Issuer or the Calculation Agent may determine to be the place where payment would be or is to be made for such Bullion under any related hedging arrangements.

**Commodity Performance** means, in respect of each Commodity in the Basket and any Valuation Date and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms, if any.

**Commodity Reference Dealers** means that the Price for a date will be determined on the basis of quotations provided by Reference Dealers or Bullion Reference Dealers, as the case may be, on that date of that day's Specified Price for the relevant Commodity, if applicable. If four quotations are provided as requested, the Price for that date will be the arithmetic mean of the Specified Prices for that Commodity provided by each Reference Dealer or Bullion Reference Dealer, as the case may be, without regard to the Specified Prices having the highest and lowest values. If exactly three quotations are provided as requested, the Price for that date will be the Specified Price provided by the relevant Reference Dealer or Bullion Reference Dealer, as the case may be, that remains after disregarding the Specified Prices having the highest and lowest values. For this purpose, if more than one quotation has the same highest value and lowest value, then the Specified Price of one of such quotations shall be disregarded. If fewer than three quotations are provided, it will be deemed that the Price for the date cannot be determined.

**Commodity Reference Price** means, with respect to each Commodity in the Basket, the Price of the Commodity specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below.

**Disappearance of the Commodity Reference Price** means, in relation to a Commodity Reference Price, (a) the permanent discontinuation of trading in the relevant Commodity on the relevant Exchange; (b) the disappearance of, or of trading in, the relevant Commodity; or (c) the disappearance or permanent discontinuance or unavailability of a Commodity Reference Price, notwithstanding the availability of any related Price Source or the status of trading in the relevant Commodity.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Final Price** means either:

- (i) If Separate Valuation is specified as applicable in the applicable Final Terms, either:
  - (a) in respect of any Commodity and any Valuation Date, the Price of such Commodity as determined by the Calculation Agent as of the Valuation Time on such Valuation Date;

OR

- (b) in respect of any Commodity and the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Commodity is valued (with halves being rounded up)) of the Relevant Prices of such Commodity on each of such Averaging Dates;

OR

- (ii) If Separate Valuation is specified as not applicable in the applicable Final Terms, either:
  - (a) in respect of any Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Relevant Price of such Commodity on such Valuation Date and (ii) the relevant Weighting;

OR

- (b) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Averaging Dates as the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Relevant Price of such Commodity on each of such Averaging Dates and (ii) the relevant Weighting.

**Gold** means gold bars or unallocated gold complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**Highest Commodity Performance** means, in respect of any Valuation Date and/or any Observation Period, the numerically highest Commodity Performance as determined by the Calculation Agent among the Commodity Performances determined on such Valuation and/or such Observation Period.

**Highest Performing Commodity** means, in respect of any Valuation Date and/or any Observation Period, the Commodity with the Highest Commodity Performance on such Valuation Date and/or such Observation Period.

**ICE or Futures ICE** means The Intercontinental Exchange® (ICE®) or its successor.

**Initial Price** means either:

- (i) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Commodity, the Price of such Commodity specified as such or otherwise determined in the applicable Final Terms or, if no such Price is specified or otherwise determined in the applicable Final Terms, the Price of such Commodity as determined by the Calculation Agent as of the Valuation Time on the Strike Date;

OR

- (ii) If Separate Valuation is specified as not applicable in the applicable Final Terms, the Price per Basket specified as such or otherwise determined in the applicable Final Terms or, if no such Price is specified or otherwise

determined in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Relevant Price of such Commodity on the Strike Date and (ii) the relevant Weighting, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below.

**KSCBT** means the Kansas City Board of Trade, or its successor.

**LBMA** means the London Bullion Market Association or its successor.

**LME** means the London Metal Exchange Limited or its successor.

**Lowest Commodity Performance** means, in respect of any Valuation Date and/or any Observation Period, the numerically lowest Commodity Performance as determined by the Calculation Agent among the Commodity Performances determined on such Valuation and/or such Observation Period.

**Lowest Performing Commodity** means, in respect of any Valuation Date and/or any Observation Period, the Commodity with the Lowest Commodity Performance on such Valuation Date and/or such Observation Period.

**LPPM** means the London Platinum and Palladium Market or its successor.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those square brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those square brackets.

**Multi Exchange Basket** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket, that the Commodities comprising such Basket are, or are deemed to be, traded on several exchanges and accordingly that the definitions comprised in this Condition 22 relating to the Multi Exchange Basket shall apply to such Basket and each such Commodity therein.

**NORDPOOL** means the Nord Pool ASA (The Nordic Power Exchange) or its successor.

**NYMEX** means the New York Mercantile Exchange or its successor.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Ounce** means a troy ounce.

**Palladium** means palladium ingots or plate or unallocated palladium complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**Platinum** means platinum ingots or plate or unallocated platinum complying with the rules of the LPPM relating to good delivery and fineness from time to time in effect.

**Price** means the price, level or rate of the Commodity or Basket, as applicable.

**Price Materiality Percentage** means the percentage specified in the applicable Final Terms, if any.

**Price Source** means, in respect of a Commodity, the publication (or such other origin of reference, including an Exchange or a Commodity Reference Price Sponsor) containing (or reporting) the Specified Price (or Prices from which the Specified Price is calculated) specified in the definition of the relevant Commodity Reference Price in the Final Terms.

**Price Source Disruption** means, in respect of a Commodity, (a) the failure of the relevant Price Source to announce or publish the Specified Price (or the information necessary for determining the Specified Price) for the relevant Commodity Reference Price; (b) the temporary or permanent discontinuance or unavailability of the Price Source; (c) if the Commodity Reference Price is "*Commodity Reference Dealers*", the failure to obtain at least three quotations as requested from the relevant Reference Dealers or Bullion Reference Dealers, if applicable; or (d) if a Price Materiality Percentage is specified in the relevant Final Terms, the Specified Price for the relevant Commodity Reference Price differs from the Specified Price determined in accordance with the Commodity Reference Price specified as "*Commodity Reference Dealers*" by such Price Materiality Percentage.

**Reference Dealers** means, in respect of a Commodity (other than Bullion) for which the Commodity Reference Price is "*Commodity Reference Dealers*", the four dealers specified in the Final Terms or, if dealers are not so specified, four leading dealers in the relevant market selected by the Issuer.

**Related Exchange** means, in respect of a Commodity, the exchange or quotation system where futures or options contracts relating to this Commodity are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion, or otherwise specified as such in the applicable Final Terms or any successor to such exchange or any substitute exchange or quotation system to which trading in the Commodity or futures and options contracts relating to the Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the Commodity or futures and options contracts relating to the Commodity on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Relevant Price** means, in respect of any Commodity, the Price of such Commodity as determined by the Calculation Agent as of the Valuation Time.

**Silver** means silver bars or unallocated silver complying with the rules of the LBMA relating to good delivery and fineness from time to time in effect.

**SIMEX** means the Singapore International Monetary Exchange Inc. or its successor.

**Single Exchange Basket** means, in respect of any Basket specified in the applicable Final Terms to be a Single Exchange Basket, that each Commodity in such Basket is deemed to be traded on the same exchange and accordingly that the definitions comprised in this Condition 22 relating to the Single Exchange Basket shall apply to each such Commodity in such Basket.

**Specified Price** means, in respect of a Commodity Reference Price, any of the following Prices (which must be a Price reported in or by, or capable of being determined from information reported in or by, the relevant Price Source), as specified in the relevant Final Terms (and, if applicable, as of the time so specified): (a) the high Price; (b) the low Price; (c) the average of the high Price and the low Price; (d) the closing Price; (e) the opening Price; (f) the bid Price; (g) the asked



Price; (h) the average of the bid Price and the asked Price; (i) the settlement Price; (j) the official settlement Price; (k) the official Price; (l) the morning fixing; (m) the afternoon fixing; (n) the fixing; (o) the spot Price; or (p) any other Price specified in the relevant Final Terms.

**Tax Disruption** means, in respect of a Commodity, the imposition of, change in or removal of an excise, severance, sales, use, value-added, transfer, stamp, documentary, recording or similar tax on, or measured by reference to the relevant Commodity (other than a tax on, or measured by reference to, overall gross or net income) by any government or taxation authority after the Issue Date, if the direct effect of such imposition, change or removal is to raise or lower the Commodity Reference Price on the day on which the Commodity Reference Price would otherwise be determined from what it would have been without that imposition, change or removal.

**Weighting** or  $W_i$  means, in respect of each Commodity comprised in the Basket, the percentage in respect of such Commodity specified as such in the applicable Final Terms.

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

$\geq$  means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

$\leq$  means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

$| \quad |$  or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

$^{[n]}$  means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

(B) *Definitions applicable to a Single Exchange Basket*

**Exchange** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, the exchange or quotation system where the Commodity is mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified as such in the applicable Final Terms, or any successor to such exchange or quotation system which for the avoidance of doubt shall be the Exchange with respect to each Commodity in the Basket unless, with respect to any Commodity in the Basket, any substitute exchange or quotation system to which trading in such Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to that Commodity on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, any Scheduled Trading Day on which

the relevant Exchange and, if any, the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, such Related Exchange closing prior to its Scheduled Closing Time.

**Commodity Reference Price Sponsor** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Commodity Reference Price relating to each of the Commodities in the Basket and (ii) announces (directly or through an agent) each such Commodity Reference Price on a regular basis during each relevant Scheduled Trading Day, which is specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below, or if not so specified, the relevant Exchange.

**Related Exchange** means, in respect of any Commodity in the Basket specified in the applicable Final Terms to be a Single Exchange Basket, the exchange or quotation system where futures or options contracts relating to this Commodity are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion or otherwise specified as such in the applicable Final Terms, or if any, any successor to such exchange which for the avoidance of doubt shall be the Related Exchange for all Commodities in the Basket unless, with respect to any Commodity in the Basket, any substitute exchange or quotation system to which trading in each such Commodity or futures or options contracts relating to such Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Commodity or futures or options contracts relating to such Commodity on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Scheduled Closing Time** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, and in respect of the relevant Exchange or, if any, the relevant Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of such Exchange or, if any, the relevant Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

**Scheduled Trading Day** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, any day on which the relevant Exchange and the relevant Related Exchange are scheduled to be open for trading for their respective regular trading sessions.

**Valuation Time** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, the time specified as such in the applicable Final Terms or, if no such time is specified, the Scheduled Closing Time on the relevant Exchange on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Strike Date or Ultimate Strike Date or Ultimate Valuation Date or Ultimate Averaging Date. If such Exchange closes prior to its Scheduled Closing Time and the specified Valuation Time is after the actual closing time for its regular trading session, then the Valuation Time shall be such actual closing time.

(C) *Definitions applicable to a Multi Exchange Basket*

**Exchange** means, in respect the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and each Commodity therein, the principal exchange or quotation system on which such Commodity is principally traded, as determined by the Calculation Agent which is on the Issue Date specified as such or otherwise determined in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below and any successor to such exchange or quotation system, to which trading in such Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to that Commodity on such temporary substitute exchange or quotation system as on the original Exchange).

**Exchange Business Day** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and each Commodity therein, any Scheduled Trading Day on which: (i) the relevant Commodity Reference Price Sponsor publishes the Price of this Commodity or (ii) the relevant Exchange and, if any, the relevant Related Exchange are open for trading during their respective regular trading sessions, notwithstanding any such Exchange or, if any, the relevant Related Exchange closing prior to its Scheduled Closing Time.

**Commodity Reference Price Sponsor** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and each Commodity therein, the corporation or other entity that (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Commodity Reference Price relating to this Commodity and (ii) announces (directly or through an agent) the Commodity Reference Price relating to this Commodity on a regular basis during each Scheduled Trading Day, other than the Exchange (if any), which is on the Issue Date specified as such in the applicable Final Terms, subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below, or if not so specified, the relevant Exchange.

**Related Exchange** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and each Commodity therein, the exchange or quotation system where futures or options contracts relating to this Commodity are mainly traded, as determined by the Calculation Agent, in its sole and absolute discretion as determined by the Calculation Agent which is on the Issue Date specified as such or otherwise specified as such determined in the applicable Final Terms, or any successor to such exchange or any substitute exchange or quotation system to which trading in this Commodity or futures and options contracts relating to this Commodity has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to this Commodity on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Scheduled Closing Time** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and each Commodity therein, the scheduled weekday closing time of the relevant Exchange, without regard to after hours or any other trading outside of the hours of the regular trading session hours.

**Scheduled Trading Day** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Commodity and each Commodity therein, any day on which: (i) the relevant Exchange or Commodity Reference Price Sponsor is

scheduled to publish the Price of this Commodity; and (ii) the relevant Related Exchange is scheduled to be open for trading for its regular trading session.

**Valuation Time** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Commodity and each Commodity therein, (i) for the purposes of determining whether a Market Disruption Event has occurred in respect of such Commodity, the Scheduled Closing Time on the relevant Exchange in respect of such Component Commodity and (ii) in all other circumstances, the time at which the official closing Price of this Commodity is calculated and published by the relevant Commodity Reference Price Sponsor.

**(b) Valuation**

**(A) Strike Date**

**Strike Date** means, in respect of any Commodity, the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) below.

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

**(B) Valuation Date**

**Valuation Date** means any Actual Exercise Date or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day or has such other meaning as is specified in the applicable Final Terms — all subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) below.

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

**(C) Averaging Date**

**Averaging Date** means, in respect of any Commodity, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Valid Date, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) below.

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

**(c) Consequences of Disrupted Day(s)**

**(A) Definitions**

**(1) Definitions applicable to a Single Exchange Basket**

**Disrupted Day** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, any Scheduled Trading Day on which the relevant Exchange or, if any, the relevant Related Exchange fails

to open for trading during its regular trading session or on which a Market Disruption Event has occurred.

**Early Closure** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, the closure on any Exchange Business Day of any relevant Exchange relating to that Commodity which contributes 20% or more to the Price of the Basket or, if any, the relevant Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange or, if any, such Related Exchange at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange or any such Related Exchange on such Exchange Business Day and (ii) the submission deadline for orders to be entered into such Exchange or, if any, such Related Exchange system for execution at the Valuation Time on such Exchange Business Day.

**Exchange Disruption** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general (i) to effect transactions in, or obtain market values for, any Commodity which contributes 20% or more to the Price of the Basket on any relevant Exchange or (ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Commodity on the relevant Related Exchange, if any.

**Market Disruption Event** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket and any Commodity therein, the occurrence or existence of (i) a Trading Disruption, (ii) an Exchange Disruption, (iii) a Price Source Disruption which in each case the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the Price of this Commodity is required to determine if, respectively, the Knock-in Price or the Knock-out Price has been triggered or (b) in all other circumstances that ends at the relevant Valuation Time, or (iv) an Early Closure. For the purposes of determining whether a Market Disruption Event exists at any time, if a Market Disruption Event occurs in respect of a Commodity included in the Basket at any time, then the relevant contribution of that Commodity to the Price of the Basket shall be based on a comparison of (x) the portion of the Basket attributable to the contribution of that Commodity and (y) the overall Price of the Basket, in each case immediately before the occurrence of such Market Disruption Event.

**Trading Disruption** means, in respect of the Basket specified in the applicable Final Terms to be a Single Exchange Basket and any Commodity therein, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the Related Exchange or otherwise and whether by reason of movements in Price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise (i) on any relevant Exchange relating to such Commodity which contributes 20% or more to the

Price of the Basket, or (ii) in futures or options contracts relating to such Commodity on the relevant Related Exchange.

(2) Definitions applicable to a Multi Exchange Basket

**Disrupted Day** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and any Commodity therein, any Scheduled Trading Day on which: (i) the Commodity Reference Price Sponsor fails to publish the Price of this Commodity; (ii) the relevant Exchange or the relevant Related Exchange, if any, fails to open for trading during its regular trading session; or (iii) a Market Disruption Event has occurred.

**Early Closure** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and any Commodity therein, the closure on any Exchange Business Day of the relevant Exchange in respect of such Commodity or the relevant Related Exchange prior to its Scheduled Closing Time unless such earlier closing is announced by such Exchange or, if any, such Related Exchange (as the case may be) at least one hour prior to the earlier of: (i) the actual closing time for the regular trading session on such Exchange or, if any, such Related Exchange (as the case may be) on such Exchange Business Day; and (ii) the submission deadline for orders to be entered into such Exchange or, if any, such Related Exchange system for execution at the relevant Valuation Time on such Exchange Business Day.

**Exchange Disruption** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and any Commodity therein, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general to effect transactions in, or obtain market values for: (i) such Commodity on the relevant Exchange; or (ii) futures or options contracts relating to this Commodity on the relevant Related Exchange.

**Market Disruption Event** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and any Commodity therein, either:

- (ii) the occurrence or existence, in respect of any Commodity, of:
  - (I) a Trading Disruption in respect of such Commodity, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the Price of this Commodity is required in order to determine if, respectively the Knock-in Price or the Knock-out Price has been triggered or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Commodity is principally traded; AND/OR
  - (II) an Exchange Disruption in respect of such Commodity, which the Calculation Agent determines is material, at any time during the one hour period that (a) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event

begins and/or ends at the time on which the Price of this Commodity is required in order to determine if, respectively, the Knock-in Price or the Knock-out Price has been triggered or (b) in all other circumstances that ends at the relevant Valuation Time in respect of the Exchange on which such Commodity is principally traded; AND/OR

- (III) an Early Closure in respect of such Commodity; AND
  - (IV) the aggregate of all Commodities in respect of which a Trading Disruption and/or, an Exchange Disruption and/or an Early Closure occurs or exists contributes to 20% or more of the Price of the Basket; OR
- (iii) the occurrence or existence, in respect of futures or options contracts relating to any Commodity in the Basket of: (a) a Trading Disruption; (b) an Exchange Disruption, which in either case the Calculation Agent determines is material, at any time during the one hour period that (A) for the purposes of the occurrence of a Knock-in Event or a Knock-out Event begins and/or ends at the time on which the Price of any Commodity is required in order to determine if, respectively, the Knock-in Price or the Knock-out Price has been triggered or (B) in all other circumstances that ends at the relevant Valuation Time in respect of the Related Exchange; or (C) an Early Closure, in each case in respect of such futures or options contracts.

For the purposes of determining whether a Market Disruption Event exists in respect of a Commodity at any time, if a Market Disruption Event occurs in respect of such Commodity at that time, then the relevant percentage contribution of that Commodity to the Price of the Basket shall be based on a comparison of (x) the portion of Basket attributable to the contribution of that Commodity to (y) the overall Price of the Basket.

**Trading Disruption** means, in respect of the Basket specified in the applicable Final Terms to be a Multi Exchange Basket and any Commodity therein, any suspension of or limitation imposed on trading by the relevant Exchange or, if any, the relevant Related Exchange or otherwise and whether by reason of movements in Price exceeding limits permitted by the relevant Exchange or, if any, the Related Exchange or otherwise: (i) relating to such Commodity on the Exchange; or (ii) in futures or options contracts relating to this Commodity on the Related Exchange.

(B) *Provisions*

(1) **Strike Date**

If, in respect of any Commodity, the Strike Date is a Disrupted Day, then the Strike Date for this Commodity shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, for this Commodity, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Relevant Price of such Commodity on the Strike Date shall be determined by the Calculation Agent as of the Valuation Time on the Ultimate Strike Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions) below) the formula for and method of calculating the Commodity last in effect prior to the occurrence of the first Disrupted Day using the relevant Exchange traded or quoted Price as of the Valuation Time on the Ultimate Strike Date (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Ultimate Strike Date, its good faith estimate of the value for the relevant Commodity as of the Valuation Time on the Ultimate Strike Date).

**Ultimate Strike Date** means, in respect of any Commodity, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Valuation Date

If, in respect of any Commodity, any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date for this Commodity, notwithstanding the fact that such day is a Disrupted Day, and (ii) relevant Relevant Price of such Commodity on such Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Valuation Date in accordance with (subject to "*Particular Provisions*" set forth in Condition 22(f) (Particular Provisions)) the formula for and method of calculating this Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on such Ultimate Valuation Date (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Commodity on such Ultimate Valuation Date, its good faith estimate of the value for the relevant Commodity as of the Valuation Time on such Ultimate Valuation Date).

**Ultimate Valuation Date** means, in respect of any Commodity and Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.



(3) Averaging Date

If, in respect of any Commodity, any Averaging Date is a Disrupted Day, then this Averaging Date for this Commodity shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (i) the Ultimate Averaging Date shall be deemed to be that Averaging Date for this Commodity (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (ii) the Relevant Price of such Commodity on such Averaging Date shall be determined by the Calculation Agent as of the Valuation Time in accordance with (subject to "*Particular Provisions*" set forth in Condition 22(f) (*Particular Provisions*) below) the formula for and method of calculating the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on the Ultimate Averaging Date (or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant Commodity on the Ultimate Averaging Date, its good faith estimate of the value for the relevant Commodity as of the Valuation Time on the Ultimate Averaging Date).

**Ultimate Averaging Date** means, in respect of any Commodity, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) Knock-in Event and Knock-out Event

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is the Valuation Time and if any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

If the Knock-in Valuation Time or the Knock-out Valuation Time specified in the applicable Final Terms is any time or period of time during the regular trading hours on the relevant Exchange and if on any Knock-in Determination Day or Knock-out Determination Day and at any time during the one hour period that begins and/or ends at the time on which the Price of the Basket triggers the Knock-in Price or the Knock-out Price, a Market Disruption Event occurs or exists, then the Knock-in Event or the Knock-out Event shall be deemed not to have occurred.

(d) ***Knock-in Event and Knock-out Event***

Common definitions

(A) ***Knock-in Event***

**Knock-in Event** means that the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Price of such Commodity as of the Knock-in Valuation Time on any Knock-in Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Price** means the Price per Basket specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 22(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Day** means, in respect of any Commodity, each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means, in respect of any Commodity, the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means, in respect of any Commodity, the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means, in respect of any Commodity, the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means, in respect of any Commodity, the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means that the amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Price of such Commodity as of the Knock-out Valuation Time on any Knock-out Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment

under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Price** means the Price per Basket specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 22(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Day** means, in respect of any Commodity, each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 22(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means, in respect of any Commodity, the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means, in respect of any Commodity, the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means, in respect of any Commodity, the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means, in respect of any Commodity, the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) ***Automatic Early Redemption***

Common definitions and provisions for Single Exchange Basket and Multi Exchange Basket

(A) ***Definitions***

**Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Basket Level is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Level.

**Automatic Early Redemption Level** means either:

- (i) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Commodity, the Price of such Commodity specified as such or otherwise determined in the applicable Final Terms,

OR

- (ii) If Separate Valuation is specified as not applicable in the applicable Final Terms, the Price of the Basket specified as such or otherwise determined in the applicable Final Terms,

subject to Condition 22(f) (Particular Provisions) below.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Basket Level** means either:

- (i) If Separate Valuation is specified as applicable in the applicable Final Terms:
  - (a) in respect of any Commodity and any Automatic Early Redemption Valuation Date, the Price of such Commodity as determined by the Calculation Agent as of the Valuation Time on such Automatic Early Redemption Valuation Date;

OR

- (b) in respect of any Commodity and the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Commodity is valued (with halves being rounded up)) of the Relevant Price of such Commodity on each of such Automatic Early Redemption Averaging Dates;

AND

- (ii) If Separate Valuation is specified as not applicable in the applicable Final Terms:
  - (a) in respect of any Automatic Early Redemption Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product of (i) the Relevant Price of such Commodity on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting;

OR

- (b) in respect of the Automatic Early Redemption Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Automatic Early Redemption Averaging Dates as the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Relevant Price of such Commodity on each of such Automatic Early Redemption Averaging Dates and (ii) the relevant Weighting.

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

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If, in respect of any Commodity, any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date for this Commodity shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date for this Commodity, notwithstanding the fact that such day is a Disrupted Day, and (ii) the Relevant Price of such Commodity on such Automatic Early Redemption Valuation Date shall be determined by the Calculation Agent as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date in accordance with (subject to Condition 22(f) (Particular Provisions) below) the formula for and method of calculating the Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date of this Commodity

(or, if an event giving rise to a Disrupted Day has occurred in respect of the relevant security on that Ultimate Automatic Early Redemption Valuation Date, its good faith estimate of the value of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date).

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Commodity and in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If, in respect of any Commodity, any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date for this Commodity shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date for this Commodity shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Calculation Agent shall determine the Price of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date in accordance with (subject to Condition 22(f) (Particular Provisions) below) the formula for and method of calculating that Commodity last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted Price as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date of that Commodity (or, if an event giving rise to a Disrupted Day has occurred in respect of the Commodity on that Ultimate Automatic Early Redemption Averaging Date, its good faith estimate of the value of the Commodity as of the Valuation Time on that Ultimate Automatic Early Redemption Averaging Date).

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Commodity and any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) **Particular Provisions**

- (i) If any Commodity is (a) neither determined nor calculated and announced by the relevant Exchange or Commodity Sponsor but is calculated and announced by a successor exchange or sponsor acceptable to the Calculation Agent (the **Successor**) or (b) replaced by a successor commodity using, in the determination of the Calculation Agent, the same or a substantially similar formula for, and method of, calculation as used in the determination or calculation of the Commodity Reference Price relating to such Commodity, then in each case that commodity (the **Successor Commodity**) will be deemed to be such Commodity and the Conditions shall be construed accordingly.
- (ii) If, in respect of any Commodity, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the relevant Exchange or Commodity Reference Price Sponsor (a) announces that it will make a Material Change in Formula (other than a modification prescribed in that formula or method relating to the Commodity), a Material Change in Content (other than a modification in the event of prescribed changes in its content, composition or constitution and other routine events) (a **Commodity Modification**) or the Disappearance of the Commodity Reference Price and no Successor Commodity exists (a **Commodity Cancellation**) (or any such event occurs without any such announcement) or (b) fails to calculate and announce the Price of this Commodity (a **Commodity Disruption** (provided, for the avoidance of doubt, that a successor sponsor calculating and announcing this Commodity determined as unacceptable by the Calculation Agent shall be a Commodity Disruption)) and together with a Commodity Modification and a Commodity Cancellation, each a **Commodity Adjustment Event**), or (c) a Tax Disruption occurs, then, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:
- (I) calculate the relevant Commodity Reference Price in accordance with the formula for, and method of, calculating this Commodity last in effect prior to the Commodity Adjustment Event or Tax Disruption; or (but not and)
  - (II) replace this Commodity by this Commodity as so modified or by the new commodity or commodities or commodity related agreement(s) (as the case may be), provided that in such case (1) the Calculation Agent will make such adjustments to the new or modified commodity or commodities or commodity related agreement(s) as may be required in order to preserve the economic equivalent of the obligation of the Issuer to make payment of any amount due and payable under the Notes relating to this Commodity as if such new or modified commodity or commodities or commodity related agreement(s) had not replaced this Commodity and, if need be, will multiply the new or modified commodity or commodities or commodity related agreement(s) by a linking coefficient to preserve such economic equivalent as determined by the Calculation Agent and (2) the Noteholders will be notified of the modified Commodity or the new commodity or commodities or commodity related agreement(s) (as the case may be) and, if need be, of the linking coefficient; or (but not and)

(III) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:~~(a) to applying apply the Monetisation provisions set forth in Condition 22(g) (Monetisation) ~~above; or below;~~

~~(b) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (IV) below;~~

(but not and)

(IV) terminate its obligations in relation to each Note by paying an amount per Note equal to the Early Redemption Amount. The Early Redemption Amount shall be payable by the Issuer on the fifth Commodity Business Day following notification by the Calculation Agent to the Issuer that the Calculation Agent has determined that the event referred to in this paragraph (ii) has occurred.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 22 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 22 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 22 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 22 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(iii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent determines, in its sole and absolute discretion, that a Change in Law or a Hedging Disruption or an Increased Cost of Hedging occurs, then it shall forthwith notify the Issuer of such event and the Issuer may elect, in its sole and absolute discretion, either:

(I) to require the Calculation Agent to make such adjustment(s) to the redemption, settlement, payment or any other terms of the Notes as



it, in its sole and absolute discretion, considers to be appropriate, and determine, in its sole and absolute discretion, the effective date of such adjustment(s);

OR (but not and)

(II) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options:~~~~(a) applying~~ apply the Monetisation provisions set forth in Condition 22(g) (Monetisation) below;~~or~~

~~(b) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (III) below;~~

OR (but not and)

(III) to redeem all (but not some only) of the Notes on the tenth Business Day (such day being an **Early Redemption Date**) following the day (or, if such day is not a Business Day, the first Business Day following the day) on which the Issuer receives notice from the Calculation Agent that such event has occurred (such day being a **Notification Date**). The Notes shall be redeemed on the Early Redemption Date at the Early Redemption Amount determined by the Calculation Agent as of the Notification Date. The Issuer's obligations under the Notes shall be satisfied in full upon payment of such amount. The Issuer shall promptly notify the Paying Agent and the Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes that it has elected to redeem the Notes (such notice stating the Early Redemption Date and the applicable Early Redemption Amount).

Where:

**Change in Law** means, unless otherwise determined in the relevant Final Terms, that, on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day of the Notes, (A) due to the adoption of or any change in any applicable law (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation, rule or procedure of any exchange (an **Applicable Regulation**), or (B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), any of the Issuer or NATIXIS determines that (X) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of Hedge Positions relating to such Notes, or (Y) it will incur a materially increased cost in performing its obligations with respect to such Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Hedge Positions** means any purchase, sale, entry into or maintenance of one or more (i) positions or contracts in securities, options, futures, derivatives or foreign exchange, (ii) stock loan transactions or (iii) other instruments or arrangements (howsoever described) by NATIXIS in order to hedge, individually or on a portfolio basis, the risk of entering into and performing its obligations with respect to the Notes.

**Hedging Arrangements** means any hedging arrangements entered into by the Issuer or NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements at any time with respect to the Notes, including without limitation the purchase and/or sale of any securities, any options or futures on such securities, any depositary receipts in respect of such securities and any associated foreign exchange transactions.

**Hedging Disruption** means, where specified as applicable in the relevant Final Terms, unless otherwise determined in the relevant Final Terms, that NATIXIS (and/or its affiliates) or any entities which are relevant to the Hedging Arrangements is unable, after using commercially reasonable efforts, to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s).

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms that NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements would incur a materially increased (as compared with circumstances existing on the Issue Date of the relevant Notes) amount of tax, duty, expense or fee (other than brokerage commissions) to (i) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the risk of NATIXIS entering into and performing its obligations with respect to the Notes, or (ii) realise, recover or remit the proceeds of any such transaction(s) or asset(s), provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of NATIXIS and/or its affiliates or any entities which are relevant to the Hedging Arrangements shall not be deemed an Increased Cost of Hedging.

- (iv) In the event that, in respect of any Commodity, any Price announced by the relevant Commodity Reference Price Sponsor which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction (the **Corrected Value**) is announced by this Commodity Reference Price Sponsor within two Scheduled Trading Days after the original publication and in any case not later than the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination, then the Calculation Agent will notify the Issuer of the Corrected Value as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) using the Corrected Value.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it considers it to be necessary, the Calculation Agent may, in its sole and absolute discretion, adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by this Commodity Reference Price Sponsor after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

- (v) The Calculation Agent shall as soon as practicable provide detailed notice of any determinations and/or adjustments, as the case may be, made and notified to the Issuer by the Calculation Agent pursuant to sub-paragraphs (i), (ii) or (iv) of this Condition 22(f) (Particular Provisions), whereupon the Issuer shall promptly provide detailed notice to the Fiscal Agent and to the Noteholders in accordance with the Conditions of such determinations and/or adjustments made and notified by the Calculation Agent.

**(g) *Monetisation***

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and a Monetisation Event occurs but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and equal to product of:

- (i) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (ii) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Index linked interest Notes and other variable-linked interest amount Notes, for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 22(g):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in Condition 22(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in Condition 22(f) (Particular Provisions).

**Monetisation Formula** means ~~either~~ the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

**(h) Range Accrual**

**(A) Definitions**

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day for each Commodity comprising the Basket or for the Triggering Commodity, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that, for the avoidance of doubt, the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Commodity** means, if Separate Valuation is specified as applicable in the applicable Final Terms and in respect of any Monitoring Day, the Commodity specified as such in the applicable Final Terms.

**Triggering Day** means any Monitoring Day where either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, the Price of the Triggering Commodity as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day;

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values of each Commodity as the product in respect of each Commodity of (i) the Price of such Commodity as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day and (ii) the relevant Weighting,

is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the relevant Trigger Level.

**Trigger Level** means either:

- (i) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of the Triggering Commodity, the Price of such Triggering Commodity specified as such or otherwise determined in the applicable Final Terms;

OR

- (ii) if Separate Valuation is specified as not applicable in the applicable Final Terms, the Price of the Basket specified as such or otherwise determined in the applicable Final Terms,

subject to "*Particular Provisions*" set forth in Condition 21(f) (Particular Provisions) above.

**Trigger Valuation Time** means, in respect of any Commodity, the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(B) *Provisions*

If "*Range Accrual*" is specified as applicable in the Final Terms, then the provisions comprised in this Condition 22(h) shall apply to any Interest Amount and/or the Redemption Amount, subject to the determination of the relevant Range Accrual Rate.

(C) *Consequences of Disrupted Days*

If any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

**23. Terms for Fund Linked Notes (single fund)**

This Condition applies if and as specified in the applicable Final Terms.

(a) *General Definitions*

**Barrier Price** means the NAV per Fund Share specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such

rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Extraordinary Event** means each of the events defined in Condition 23(f)(C)(1) (Particular Provisions).

**Final Price** means either:

- (a) in respect of any Valuation Date, the NAV per Fund Share as determined by the Calculation Agent as published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Valuation Date; OR
- (b) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which the Fund Share is valued (with halves being rounded up)) of the Relevant Prices on each of such Averaging Dates.

**Fluctuation Limit** means the percentage of decrease of the value of the Fund Share which allows the Calculation Agent to determine the occurrence of an Extraordinary Event and which will be specified as such in the applicable Final Terms or, if no percentage is specified in the applicable Final Terms, the Fluctuation Limit shall be deemed equal to 10%

**Fund** means the issuer of the Fund Share as specified in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 23(f) (Particular Provisions) below.

**Fund Administrator** means the administrator, manager, trustee or other similar person with the primary administrative responsibilities for the Fund according to the Fund Documentation, as specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 23(f) (Particular Provisions) below.

**Fund Adviser** means any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser) for the Fund, as specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 23(f) (Particular Provisions) below.

**Fund Business Day** means any day the Fund or the primary Fund Administrator is open for business, subject to adjustments and modifications in accordance with the Fund Documentation, if any.

**Fund Documentation** means, the constitutive and governing documents, subscription agreements and other agreements of the Fund specifying the terms and conditions relating to the Fund Share and, for the avoidance of doubt, any other documents or agreements in respect of the Fund, as further described in any Fund Documentation, in each case as amended from time to time.

**Fund Share Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Fund Service Provider** means any person who is appointed to provide services, directly or indirectly, to the Fund, whether or not specified in the Fund Documentation, including (without limitation) any Fund Adviser, Fund Administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent, as specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 23(f) (Particular Provisions) below.

**Fund Share(s)** means, in respect of a Fund incorporated as a company, an ordinary share in the capital of the Fund or, as the case may be, in respect of a Fund incorporated as a mutual fund, a collective investment securities, a French fonds commun de placement or a trust, a unit of account of ownership in the Fund, or any other legal form of security or ownership with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below.

**Fund Share Clearance System Settlement Disruption Event** means an event beyond the control of the Issuer as a result of which (i) the Fund Share Clearance System cannot clear the transfer of the Fund Shares or (ii) the Fund Share Clearance System ceases to clear all or any of such Fund Shares.

**Fund Share Clearance System** means the principal domestic clearance system customarily used for settling trades in the Fund Share at any relevant time, as determined by the Calculation Agent.

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

**Initial Price** means the NAV per Fund Share specified as such or otherwise determined in the applicable Final Terms or, if no such NAV is specified or otherwise determined in the applicable Final Terms, the NAV of such Fund Share as determined by the Calculation Agent as published by the Fund (or its Fund Service Provider that generally determines such value) on the Strike Date, subject to adjustment from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below.

**Management Company** means any entity appointed in the Fund Documentation in the role of managing the assets of the Fund and, in each case, any entity to whom each such entity may delegate any of its duties, rights, obligations or liabilities in respect of such Fund and any successor entity thereto, and, in each case, such other management company as the Calculation Agent may determine is for the time being the manager of such Fund, as specified in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 23(f) (Particular Provisions) below.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those brackets.

**NAV Observation Period** means each period specified as such in the applicable Final Terms.

**Net Asset Value** or **NAV** means the net asset value per Fund Share, as calculated and published by the Management Company or the Fund Administrator or the Fund Service Provider or other person that generally reports such value on behalf of the Fund to its investors or a publishing service on such day provided that the Calculation Agent is entitled to adjust the net asset value per Fund Share of the Fund to reflect, without duplication, the relevant portion per Fund Share of any fees, commission, costs or charge and duties, taxes or levies that may be payable and/or incurred in connection with the redemption of such Fund Share.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Relevant Price** means in respect of any Averaging Date the NAV per Fund Share as determined by the Calculation Agent, published by the Fund (or its Fund Service Provider that generally determines such value) on such Averaging Date.

**Scheduled Trading Day** means a day on which it is scheduled that (i) the NAV of the Fund will be published in accordance with the Fund Documentation, and (ii) subscription or redemption orders of the Fund Shares can be received by such Fund.

**Settlement Cycle** means the period of Fund Share Clearance System Business Days following a trade in the Fund Share on the Exchange or any other system or platform in which settlement will customarily occur according to the rules of such Exchange system or platform.

**Valuation Time** means the time specified as such in the applicable Final Terms or if no such time is specified, the time on which the NAV of the Fund is published by the Fund (or its Fund Service Provider that generally determines such value); or

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

≥ means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

≤ means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

| | or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

<sup>n</sup> means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

**(b) Valuation**

**(A) Strike Date**

**Strike Date** means the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled



Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) below.

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

(B) *Valuation Date*

**Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) below.

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

(C) *Averaging Date*

**Averaging Date** means, in respect of any Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) below.

**Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) *Consequences of Disrupted Day(s)*

(A) *Definitions*

**Disrupted Day** means any Scheduled Trading Day on which a Market Disruption Event has occurred.

**Hypothetical Investor** means a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in a Fund Share which is deemed to have the benefits and obligations, as provided in the relevant Fund Documentation, of an investor holding a Fund Share at the relevant time. The Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation).

**Liquidity Disruption** means any suspension, limitation or delay in the redemption of Fund Shares, be it either in accordance with the provisions of the Fund Documentation or for other reasons.

**Market Disruption Event** means:

- (i) the failure by the Fund (or its Fund Service Provider that generally determines such value) to publish the NAV of the Fund Share on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date (save that if an event occurs that constitutes both a Market Disruption Event and an Extraordinary Event for this Fund Share (as defined above) such event shall constitute an Extraordinary Event for such Fund and not a Fund Market Disruption Event); or

- (ii) the occurrence or existence of (i) a Valuation Disruption or (ii) a Liquidity Disruption or (iii) a Settlement Disruption, which in either case the Calculation Agent, in its sole and absolute discretion, determines is material.

**Redemption Notice Date** means, with respect to any Valuation Date or Averaging Date or Automatic Redemption Averaging Date or Automatic Redemption Valuation Date, the last date on which a Hypothetical Investor would be permitted, pursuant to the Fund Documentation, to submit a redemption notice that would be timely for a redemption as of the Scheduled Redemption Valuation Date occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, or if no Scheduled Redemption Valuation Date is occurring on such Valuation Date or Averaging Date or Automatic Redemption Averaging Date or Automatic Redemption Valuation Date, the immediately preceding Scheduled Redemption Valuation Date.

**Redemption Proceeds** means the proceeds, as determined by the Calculation Agent, that would be paid by the Fund to a Hypothetical Investor who, as of the relevant Redemption Valuation Date, redeems the Fund Share, provided that (1) any such proceeds that would be paid in property other than cash shall be valued by the Calculation Agent in its reasonable discretion and (2) if the Hypothetical Investor would be entitled to elect payment of such redemption proceeds to be made either in the form of cash or other property, then the Hypothetical Investor shall be deemed to have elected cash payment.

**Redemption Valuation Date** means, with respect to any Scheduled Redemption Valuation Date, the date as of which the Fund (or its Fund Service Provider that generally determines such value) would determine the NAV of the Fund Share for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that had submitted a valid notice for redemption on or before the related Redemption Notice Date.

**Scheduled Redemption Valuation Date** means the date as of which the Fund (or any of the Fund Service Providers that generally determines such value) is scheduled, according to the Fund Documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse redemption of Fund Shares), to determine the NAV of such Fund Share for purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of Fund Shares based on the value determined as of such date. The Scheduled Redemption Valuation Date relating to any Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, shall be the Scheduled Redemption Valuation Date occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, or if no Scheduled Redemption Valuation Date is occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, the immediately preceding Scheduled Redemption Valuation Date.

**Scheduled Redemption Payment Date** means, with respect to any Scheduled Redemption Valuation Date, the date by which the Fund is scheduled to have paid, according to its Fund Documentation, all or a specified portion of the redemption proceeds to an investor that has submitted a timely and valid notice requesting redemption of Fund Shares as of such Scheduled Redemption Valuation Date.

**Settlement Disruption** means, in respect of a Fund Share and any day, a failure by the Fund to pay the full amount of the Redemption Proceeds with respect to such Fund Share scheduled to have been paid on or by such day according to the Fund Documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the Fund to delay or refuse a redemption of Fund Shares).

**Valuation Disruption** means that:

- (A) the NAV of the Fund is not determined by the Fund (or its Fund Service Provider that generally determines such value) as set out in the Fund Documentation;
- (B) the determination and/or publication of the NAV of the Fund in accordance with the Fund Documentation is suspended; or
- (C) the NAV of the Fund as so published by the Fund (or its Fund Service Provider that generally determines such value) is, in the reasonable opinion of the Calculation Agent, incorrect.

(B) *Provisions*

(1) **Strike Date**

If the Strike Date is a Disrupted Day, then the Strike Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Initial Price shall be the Calculation Agent's good faith estimate of the value for the Fund Share as of the Valuation Time on the Ultimate Strike Date.

**Ultimate Strike Date** means the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) **Valuation Date**

If any Valuation Date is a Disrupted Day, then this Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Final Price shall be the Calculation Agent's good faith estimate of the value for the Fund Share as of the Valuation Time on that Ultimate Valuation Date.

**Ultimate Valuation Date** means, in respect of any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of

Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) Averaging Dates

If any Averaging Date is a Disrupted Day, then this Averaging Date shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Relevant Price in respect of that Averaging Date shall be the Calculation Agent's good faith estimate of the value for the Fund Share as of the Valuation Time on the Ultimate Averaging Date.

**Ultimate Averaging Date** means, in respect of any Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) Knock-in Event and Knock-out Event

If any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

(d) ***Knock-in Event and Knock-out Event***

(A) *Knock-in Event*

**Knock-in Event** means that the NAV determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment and/or delivery under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Price** means the NAV specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Day** means each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means that the NAV determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes, as specified in the applicable Final Terms, and/or payment and/or delivery under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Price** means the NAV specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Day** means each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 23(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Period** means the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day

Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) ***Automatic Early Redemption***

(A) ***Definitions***

**Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject in each case to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Fund Share Price is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Automatic Early Redemption Price.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Price** means the NAV specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in Condition 23(f) (Particular Provisions) below.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means a Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Fund Share Price** means either:

- (i) in respect of any Automatic Early Redemption Valuation Date, the NAV as determined by the Calculation Agent published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Automatic Early Redemption Valuation Date; OR
- (ii) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the

Specified Currency in which the Fund Share is valued (with halves being rounded up)) of the Specified Prices of such Fund Share on each of such Automatic Early Redemption Averaging Dates.

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

**Specified Price** means, in respect of any Automatic Early Redemption Averaging Date, the NAV as determined by the Calculation Agent published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Automatic Early Redemption Averaging Date.

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If **Automatic Early Redemption Event** is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date."

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Fund Share Price shall be the Calculation Agent's good faith estimate of the NAV as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date.

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (1) the Ultimate Automatic Early Redemption Averaging Date shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (2) the Specified Price in respect of that Automatic Early Redemption Averaging Date shall be the Calculation Agent's good faith estimate of the value for the Fund Share as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date.

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) *Particular Provisions*

(A) *Potential Adjustment Events*

(1) Definitions

**Potential Adjustment Event** means, with respect to any Fund and/or any Fund Share, any of the following as determined by the Calculation Agent:

- (ii) a subdivision, consolidation or reclassification of the Fund Share, or a free distribution or dividend of any such Fund Share to existing holders by way of bonus, capitalisation or similar issue;
- (iii) a distribution, issue or dividend to existing holders of relevant Fund Shares of:
  - (1) additional Fund Shares;
  - (2) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Shares, or
  - (3) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or



- (4) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
  - (iv) a dividend or other form of distribution which the Calculation Agent determines, in its sole discretion and acting in good faith and in a commercially reasonable manner, should (in whole or part) be characterised as extraordinary;
  - (v) a repurchase by the Fund of Fund Shares whether the consideration for such repurchase is cash, securities or otherwise, other than in respect of a redemption of Fund Shares initiated by an investor in the Fund; or
  - (vi) any other similar event that may have a diluting or concentrative effect on the theoretical value of the Fund Shares.
- (2) Consequences
  - (i) Subject to sub-paragraph (iv) below, if a Potential Adjustment Event occurs from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent will promptly determine, in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of the Fund Shares and, if so, will:
    - (I) make such adjustment(s), if any, to any one or more of the Barrier Price and/or the Initial Price and/or the Knock-in Price and/or the Knock-out Price and/or the Automatic Early Redemption Price and/or (if redemption by physical delivery) the Delivery Amount and/or any of the other relevant provisions of the Notes that the Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for that diluting or concentrative effect; and
    - (II) determine, in its sole and absolute discretion, the effective date(s) of such adjustment(s).
  - (ii) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines that the theoretical change in value of the Fund Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to one per cent. (or otherwise specified in the applicable Final Terms) of the value of that property immediately before the occurrence of that event or those events.
  - (iii) No adjustments to the property comprised within the Fund Share will be required other than those specified above. However subject to sub-paragraph (iv) below, the Issuer may cause the Calculation Agent to make additional adjustments to the property comprised

within the Fund Share to reflect changes occurring in relation to such property in other circumstances where the Issuer determines, in its sole and absolute discretion, that such changes are appropriate.

- (iv) If Essential Trigger is specified as applicable in the applicable Final Terms, the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes or Condition 15 (Discretion) of the Terms and Conditions of the French Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer to be able to elect to adjust any provisions of the Notes pursuant to this Condition 23.

(B) *Correction of value or prices of the Fund*

In the event that in respect of any Fund or Fund Share, any price published by or on behalf of the Fund which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction is published within one relevant Settlement Cycle after the original publication or, as the case may be, the Fund with respect to any Fund Share adjusts the Redemption Proceeds that would have been paid to a Hypothetical Investor redeeming such Fund Share, and such adjustment would be reflected in either an additional payment to such Hypothetical Investor or a claim of excess Redemption Proceeds made against such Hypothetical Investor, in each case no later than the fifth Fund Business Day prior to the Maturity Date (a **Correction**), then the Calculation Agent will notify the Issuer of such Correction as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) with regard to such Correction.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines it to be necessary, the Calculation Agent may adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by the relevant Fund Service Provider after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

(C) *Extraordinary Events*

(1) Definitions

**Adviser Resignation** means, in respect of the Fund,

- (ii) the resignation, termination, or replacement of its Fund Adviser; or
- (iii) the resignation, termination, death or replacement of any key person of such Fund Adviser.

**Change of Investment Policy** means that the Fund Adviser of the Fund effects or announces an intention to effect a change in the investment objectives, risk profile or investment guidelines of the Fund in any material respect or makes any other material change to the terms and conditions of

the Fund that is in the reasonable opinion of the Issuer suitable to affect the value of interests in the Fund or the rights of any holders thereof.

**Change in Law** means, unless otherwise determined in the relevant Final Terms, that, on or after the Issue Date:

- (ii) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation, rule or procedure of any exchange (an **Applicable Regulation**); or
- (iii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

any of the Issuer or the Calculation Agent determines in its reasonable discretion that:

- (1) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become illegal or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements to hold, acquire or dispose of interests in the Fund;
- (2) it will incur a materially increased cost in performing its obligations under these Note (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Fund Hedging Disruption** means, where specified as applicable in the relevant Final Terms, that it is for the Issuer or for any third party with whom the Issuer enters into a hedging transaction, with regard to its obligations incurred under the Notes, impossible or impractical, after using commercially reasonable efforts, to:

- (ii) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to the Fund Shares; or
- (iii) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of:
  - (1) any restrictions or increase in charges or fees imposed by the Fund with regard to the redemption of interests, in whole or in part, or any existing or new investor's ability to make new or additional investments in the Fund or
  - (2) any mandatory redemption, in whole or in part, of interests imposed by the Fund (in each case other than any restriction in existence on the Issue Date).

**Fund Insolvency Filing** means that the Fund:

- (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (iii) makes a general assignment or arrangement with or for the benefit of its creditors;
- (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof;
- (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; or
- (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter.

**Fund Modification** means (i) any failure by the Fund Adviser to act in accordance with the investment objectives, risk profile or investment guidelines of the Fund, (ii) any restriction placed on the ability of the Fund Adviser to buy or sell shares or other property by any regulatory body, (iii) any limitation on the ability of the Fund Adviser to buy or sell shares or other property by reason of liquidity, adverse market conditions or decrease in the assets of the Fund, and in any such case, in the opinion of the Calculation Agent such situation is unlikely to be corrected within a reasonable period of time or (iv) any change or modification of the Fund Documentation of the Fund that could in the reasonable opinion of the Calculation Agent be expected to affect the value of the interest in the Fund or the rights of any holders thereof from those prevailing on the Issue Date.

**Holding Event** means the capitalisation of the Fund falls so that the Issuer or any third party with whom the Issuer enters into a hedging transaction

with regard to its obligations under the Notes holds on any Fund Business Day Fund Shares for an amount or a percentage specified as such in the applicable Final Terms or if no amount is specified the Holding Event shall be deemed greater than 10% of the capitalisation of the Fund on such Fund Business Day.

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms:

- (ii) that the Issuer or any third party with whom the Issuer enters into a hedging transaction with regard to its obligations incurred under the Notes would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to:
  - (I) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the price risk relating to the Fund; or
  - (II) realise, recover or remit the proceeds of any such transaction(s) or asset(s),

provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of any hedging counterparty shall not be deemed as any such Increased Cost of Hedging; and

- (iii) the termination of any rebate agreement that may be entered into between the Issuer or any third party with whom the Issuer enters into a hedging transaction with regard to its obligation incurred under the Note and the Fund or any Fund Service Provider in relation to the subscription of Fund Shares.

**Nationalisation** means that all the interests in the Fund or all or substantially all the assets of the Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**NAV Trigger Event** means that:

- (ii) the reported value of the Fund Share has decreased by an amount equal to, or greater than, the Fluctuation Limit during the related NAV Observation Period or any period otherwise specified in the applicable Final Terms; or
- (iii) the Fund Administrator or, as the case may be, Fund Adviser has violated any leverage restriction that is applicable to, or affecting, the Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, its Fund Documentation or any contractual restriction binding on or affecting the Fund or any of its assets.

**Redemption of Fund Shares** means that the Fund Shares are redeemed in accordance with their terms or notice of such redemption is given to the holders of the Fund Shares.

**Regulatory Action** means, with respect to the Fund:

- (ii) a cancellation, suspension or revocation of the registration or approval of the Fund or its interests by any governmental or regulatory entity with authority over the Fund or its interests;
- (iii) any change in the legal, tax, accounting, or regulatory treatments of the Fund or its adviser or manager that in the reasonable opinion of the Issuer is suitable to have an adverse impact on the value of the interests in the Fund or on any investor therein; or
- (iv) the Fund or its administrator, adviser or manager becoming subject to any investigation, proceeding or litigation by any relevant governmental or regulatory authority involving the potential violation of applicable law for any activities relating to or resulting from the operation of the Fund.

**Reporting Disruption** means, in respect of the Fund:

- (ii) the occurrence of any event that, in the reasonable opinion of the Issuer, would make it impossible or impracticable for the Calculation Agent to determine the value of the interests in the Fund, and such event continues for at least Five Fund Business Days;
- (iii) any failure of the Fund to deliver, or cause to be delivered, (1) information that the Fund has undertaken to deliver to the Issuer and/or the Calculation Agent, or (2) information that has been previously delivered to the Issuer and/or the Calculation Agent in accordance with the Fund's, or its authorised representative's, normal practice and that the Issuer deems necessary for it or the Calculation Agent to monitor the Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to the Fund.

**Strategy Breach** means any breach or violation of any strategy or investment guidelines stated in the Fund Documentation that is in the reasonable opinion of the Issuer suitable to affect the value of interests in the Fund or the rights of any holders thereof.

**Termination of Fund Adviser and/or Fund Administrator** means that (i) voluntary or involuntary liquidation, bankruptcy or any analogous insolvency proceedings including for the avoidance of doubt, bankruptcy, civil rehabilitation proceedings, corporate reorganisation proceedings, company arrangement or special liquidation are commenced with respect to the Fund Adviser or the Fund Administrator or (ii) the appointment of the Fund Adviser or Fund Administrator of the Fund is terminated in accordance with its terms or notice of such termination is given to the holders of the Fund Shares or (iii) the Fund Adviser or Fund Administrator of the Fund fails to maintain or obtain, as the case may be, all required approvals and authorisations by the relevant financial and administrative authorities necessary to perform its obligations in respect of the Fund and the Fund Shares or (iv) it becomes illegal or impossible in the opinion of the Calculation Agent for the Fund Adviser or Fund Administrator of the Fund

to continue to act as Fund Adviser or Fund Administrator of the Fund, and in any such case in the determination of the Calculation Agent no appropriate successor is appointed to act as adviser or administrator, as the case may be, of the Fund.

(2) Consequences

(ii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, as the case may be, the Calculation Agent determines, in its sole and absolute discretion, that an Extraordinary Event occurs with regard to the Fund or the Fund Shares, then, if Essential Trigger is specified as not applicable in the applicable Final Terms, the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Notes, either to:

(I) substitute the Fund Share with such interest in any other investment fund or other collective investment vehicle (the **Successor Fund Share**) which the Calculation Agent, using commercially reasonable efforts, has identified as being, with regard to its characteristics, investment objectives and policies, similar to those in effect for the Fund immediately prior to the occurrence of such Extraordinary Event, provided that the Calculation Agent shall:

(1) replace the Fund Share by a number of shares or units in the Successor Fund Share as represents the amount (the **Removal Value**) which would be derived from an order to redeem the Fund Share which has been submitted to the Fund on the Fund Business Day immediately following the occurrence of such Extraordinary Event (the **Replacement Date**);

(2) determine the effective date of such substitution with regard to dates which would be applicable to orders to redeem the Fund Share and to subscribe for Successor Fund Shares which would be given on or about the Replacement Date; and

(3) make such other modifications and adjustments to any terms of the Notes (including, but not limited to adjustments to account for any changes in volatility, investment strategy or liquidity relevant to the Fund Shares) as may be required in order to preserve the economic equivalent of the obligation of the Issuer under the Notes, provided that the Noteholders shall be informed without undue delay of the relevant modifications and/or adjustments; or (but not and)

- (II) make such modifications and adjustments to any terms of the Notes (including, but not limited to adjustments to account for any changes in volatility, investment strategy or liquidity relevant to the Fund Shares) as may be required in order to preserve the economic equivalent of the obligation of the Issuer under the Notes, provided that the Noteholders shall be informed without undue delay of the relevant modifications and/or adjustments; or (but not and)
- (III) if Monetisation is specified as applicable in the relevant Final Terms, to ~~offer to each Noteholder the choice (to be exercised at such Noteholder's absolute discretion) of the following two options: (a) applying~~ apply the Monetisation provisions set forth in Condition 23(f)(D) below; ~~or~~
- ~~(b) requiring the Issuer to redeem the Notes at their Early Redemption Amount in accordance with (IV) below;~~

OR (but not and)

- (IV) if so specified as applicable in the relevant Final Terms, require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount, provided that the Early Redemption Amount shall be payable by the Issuer on the tenth Business Day following notification by the Calculation Agent to the Issuer require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount.

- (i) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines that the theoretical change in value of the Fund Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to three per cent. of the value of that Fund Share immediately before the occurrence of that event or those events.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions ~~or~~ in relation to the Notes pursuant to this Condition 23 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 23 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential



Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 23 and (ii) the provisions of Condition 6(1) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 23 and Condition 6(1) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

~~(ii) — The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines that the theoretical change in value of the Fund Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to three per cent. of the value of that Fund Share immediately before the occurrence of that event or those events.~~

(3) Miscellaneous

If more than one of the events set out above occurs, the adjustments (if any) to the terms of the Notes for the second and subsequent events shall be to the terms of the Notes as adjusted for preceding events.

In the event that a determination is made that the Notes will be settled by Redemption by Physical Delivery and on or after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day (but before the Settlement Date) a Potential Adjustment Event or an Extraordinary Event occurs, then the Issuer shall be entitled (but not obliged) upon immediate notice to the Noteholders to (i) delay the Settlement Date to such date that falls five Business Days following such event and (ii) cause the property comprising the Relevant Number of Fund Shares to be thereupon adjusted in accordance with the provisions hereof.

As soon as reasonably practicable under the circumstances after making any adjustment or modification to the terms of the Notes in accordance with these Conditions, whether in the exercise of its own discretion or at the request of the Issuer, the Calculation Agent will give notice thereof to the Issuer and to the Paying Agent whereupon the Issuer or the Paying Agent shall notify the Noteholders of such adjustment or modification in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes.

(D) *Monetisation*

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and a Monetisation Event occurs but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed

Interest Rate, Floating Rate and Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and equal to the product of:

- (A) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes); and
- (B) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 23(f)(D):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its sole and absolute discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in this Condition 23(f) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in this Condition 23(f).

**Monetisation Formula** means the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

(E) *Redemption by Physical Delivery*

(1) Definitions

**Clearance System** means indiscriminately the Fund Share Clearance System, Clearstream or Euroclear.

**Clearance System Business Day** means any day on which each of Euroclear or Clearstream, as the case may be, and the Fund Share Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

**Clearstream** means, Clearstream Banking S.A. (or any successor thereof).

**Delivery Agent** means NATIXIS appointed by the Issuer, which term shall include any successor or any agent acting on behalf thereof, as the case may be. The Delivery Agent will act solely as agent of the Issuer and will not assume any obligations to, or relationship of agency or trust for or with, the Noteholders. The Issuer reserves the right at any time to vary or terminate the appointment of the Delivery Agent and to appoint or not other Delivery Agent.

**Disruption Cash Settlement Price** means, in respect of any Note, an amount in the Specified Currency specified as such in the applicable Final Terms equal to the fair market value of a Note less (i) the Residual Cash Amount and, for any Note other than Notes listed and admitted to trading on any regulated market organised and managed by Borsa Italiana S.p.A. or offered in the Republic of Italy in the context of a public offer, (ii) (unless where Unwind Costs is specified as not applicable in the relevant Final Terms) the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent, in its sole and absolute discretion.

**Euroclear** means Euroclear S.A./N.V. (or any successor thereof).

**Fund Minimum Tradable Quantity** means the number specified as such in the applicable Final Terms. If no number is specified in the applicable Final Terms, the Fund Minimum Tradable Quantity shall be deemed equal to 1.

**Fund Share Reference Price** means, as specified in the applicable Final Terms (i) the amount per Fund Share specified as such in the applicable Final Terms, (ii) the Initial Price or (iii) the Ultimate Final Price.

**Integral Number of Fund Shares** means, in respect of each Note and any Fund Share, an integral number of such Fund Shares equal to the Relevant Number of Fund Shares rounded downwards to the Fund Minimum Tradable Quantity, except if "Notes to be aggregated for the purposes of determining the number of Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Integral Number of Fund Shares*" shall be deemed not applicable. For the avoidance of doubt the Integral Number of Fund Shares as of the Issue Date may be specified in the applicable Final Terms.

**Physical Delivery Reference Amount** means, as specified in the relevant Final Terms either (i) the Specified Denomination or (ii) the Final Redemption Amount.

**Physical Delivery Rounding Convention** means the method specified in the applicable Final Terms or, if such Physical Delivery Rounding Convention is not specified, the figure to be rounded shall be rounded upwards to the nearest third decimal.

**Prevailing Exchange Rate** means, in respect of any date specified in the applicable Final Terms, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Prevailing Exchange Rate (or a method for determining the Prevailing Exchange Rate).

**Relevant Number of Fund Shares** means, in respect of each Note and any Fund Share, a number of such Fund Shares equal to (i) the Physical Delivery Reference Amount multiplied by the Prevailing Exchange Rate (if any) divided by (ii) the Fund Share Reference Price, subject to the Physical Delivery Rounding Convention and to adjustment from time to time in accordance with the provisions as set out in this Condition 23(f).

**Residual Cash Amount** means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Fund Shares and (ii) the Ultimate Final Price divided by the Prevailing Exchange Rate (if any).

**Residual Number of Fund Shares** means, in respect of each Note, a number of Fund Shares equal to (i) the Relevant Number of Fund Shares minus (ii) the Integral Number of Fund Shares; except if "Notes to be aggregated for the purposes of determining the number of Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Residual Number of Fund Shares*" shall be deemed not applicable. For the avoidance of doubt, the Residual Number of Fund Shares as of the Issue Date may be specified in the applicable Final Terms.

**Settlement Date** means the Maturity Date. If a Settlement Disruption Event does prevent delivery on that day, then the Settlement Date will be the first succeeding day on which delivery of the Integral Number of Fund Shares can take place through the relevant Clearance System unless a Settlement Disruption Event prevents settlement on each of the five Clearance System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, (a) if the Integral Number of Fund Shares can be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then the Settlement Date will be the first day on which settlement of a sale of the Integral Number of Fund Shares executed on that fifth Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed to be the relevant Clearance System for the purposes of delivery of the relevant Integral Number of Fund Shares), and

(b) if the Integral Number of Fund Shares cannot be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then in lieu of physical settlement the Issuer may satisfy its obligations in respect of each of the relevant Notes by payment to the Noteholders of the Disruption Cash Settlement Price on the third Business Day following such fifth Clearance System Business Day. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the shares or securities comprised in the Relevant Number of Fund Shares, the Settlement Date for shares or securities not affected by the Settlement Disruption Event will be the Maturity Date. In the event that a Settlement Disruption Event will result in the delivery on the Settlement Date of some but not all of the shares or securities comprised in the Relevant Number of Fund Shares, the Calculation Agent shall determine in its sole discretion the appropriate pro rata portion of the Disruption Cash Settlement Price which the Issuer, to satisfy its obligations in respect of each of the relevant Notes to the extent the Issuer has not already done so by delivery of shares or securities comprised in the Relevant Number of Fund Shares, will pay to the Noteholders on the third Business Day following the fifth Clearance System Business Day.

**Settlement Disruption Event** means an event beyond the control of the Issuer or the Delivery Agent as a result of which (i) Euroclear or Clearstream, as the case may be, or the Fund Share Clearance System cannot clear the transfer of the Fund Shares or (ii) Euroclear or Clearstream, as the case may be, or the Fund Share Clearance System ceases to clear all or any of such Fund Shares.

**Ultimate Final Price** means the Final Price or, if there are several Valuation Dates, the Final Price in respect of the last Valuation Date or otherwise specified as such in the applicable Final Terms.

(2) Provisions

- (i) In the case of Redemption by Physical Delivery, provided that notice of Redemption by Physical Delivery shall be made by the Calculation Agent or the Issuer to the Paying Agent and Euroclear and/or Clearstream, as the case may be, on or immediately after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day, each Noteholder shall not later than two Business Days before the Maturity Date (the **Delivery Notice Date**) (or on such earlier date as the Calculation Agent, acting in its sole discretion, shall determine is necessary for the Issuer and Euroclear and/or Clearstream, as the case may be, to perform their respective obligations under the Notes and which earlier date has been notified to the Issuer, and of which the Issuer shall then promptly inform Noteholders) send to Euroclear and/or Clearstream, as the case may be, (in accordance with its then applicable operating procedures and accepted methods of communication), an irrevocable notice designating its security and cash accounts for the purposes of Redemption by Physical Delivery and details of such accounts at

Euroclear or Clearstream or the Fund Share Clearance System (the **Delivery Notice**).

Unless Essential Trigger is specified as applicable in the relevant Final Terms, the Issuer shall be under no obligation to compensate or indemnify the Noteholder(s) for any delay or failure on the part of the Issuer or the Delivery Agent to deliver or procure the delivery of the Integral Number of Fund Shares on the Settlement Date and/or to pay or procure the payment of the Residual Cash Amount on the Maturity Date to the Noteholder(s) to the extent Euroclear and/or Clearstream, as the case may be, does not receive the Delivery Notice from the Noteholder(s) on (or before, as may be applicable) the Delivery Notice Date or, to the extent that for any reason Euroclear and/or Clearstream fail, or fail within any relevant period, to transmit (whether or not in accordance with its then applicable operating procedures and accepted methods of communication) any notice by or on behalf of the Issuer or the Delivery Agent to its participants. Without prejudice to the preceding sentence, in the event that Euroclear and/or Clearstream do not receive a Delivery Notice from a Noteholder on or before the tenth Business Day following the Maturity Date, the Issuer shall be entitled (but not obliged) to pay to such Noteholder, as soon as reasonably practicable on or following such date an amount, determined by the Calculation Agent in its sole and absolute discretion and notified to the Issuer, the Paying Agent, Euroclear and/or Clearstream, as the case may be, (to be communicated by them to the relevant Noteholders) in writing promptly following such determination, equal to the fair market value of such Integral Number of Fund Shares and/or the Residual Cash Amount at the date determined in good faith by the Issuer, in full satisfaction of its obligations under such Notes.

A Delivery Notice once delivered to Euroclear or Clearstream, as the case may be, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not transfer any Note that is the subject of a Delivery Notice following delivery of such Delivery Notice to Euroclear or , as the case may be.

A Delivery Notice shall only be valid to the extent that Euroclear and/or Clearstream, as the case may be, have not received conflicting prior instructions in respect of the Notes that are the subject of the Delivery Notice. Failure properly and timely to provide a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly provided shall be made by Euroclear and/or Clearstream, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder. If a Delivery Notice has not been provided properly and timely, the Issuer or the Delivery Agent shall not be obliged to

make any payment or delivery in respect of the Notes which are the subject of the Delivery Notice.

Receipt by Euroclear and/or Clearstream, as the case may be, of a valid Delivery Notice shall be deemed to constitute (i) written confirmation of an irrevocable election and undertaking by the relevant Noteholder to select the account at Euroclear or Clearstream or the Fund Share Clearance System specified therein and (ii) an undertaking by the relevant Noteholder to pay any costs, applicable value added or sales taxes, transfer taxes, stamp duties and other taxes and duties due by reason of delivery of the Integral Number of Fund Shares to the account at Euroclear or Clearstream or the Fund Share Clearance System or to reimburse Euroclear or Clearstream, as the case may be, or the Fund Share Clearance System in respect of any such costs, taxes or duties.

In the event that any Note is not represented by a Global Note or Global Certificate held on behalf of Euroclear or Clearstream, as the case may be, the Issuer or the Delivery Agent shall procure that notice shall be provided to the relevant Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes, describing the method by which an account at the Fund Share Clearance System shall be irrevocably designated for such Noteholders and such designation shall be binding on the Issuer and such Noteholders.

Upon receipt of such Delivery Notice, Euroclear and/or Clearstream, as the case may be, shall (a) verify that the person specified therein as the Noteholder is the holder of the specified principal amount of Notes according to its books (provided that if such verification shows that such person is not the Noteholder according to its books, the Delivery Notice shall not be valid) and (b) shall, in accordance with its then applicable operating procedures, send a copy of the Delivery Notice to the Issuer, the Delivery Agent and such other persons as the Issuer or the Delivery Agent may previously have specified.

The nominal amount of a number of Notes delivered by the same Noteholder for redemption shall not be aggregated for the purpose of determining the number of Fund Shares to be delivered in respect of such Notes. However if the paragraph "Notes to be aggregated for the purposes of determining the number of Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, then the Notes delivered by the same Noteholder for exchange shall be aggregated for the purpose of determining the number of Fund Shares to be delivered in respect of such Notes. In such case, the Fund Shares deliverable to a Noteholder in respect of the Notes held by it will be a whole number of Fund Minimum Tradable Quantity provided that where the number of Fund Shares which would otherwise be deliverable hereunder includes a fraction of the Fund Minimum Tradable Quantity, the number of such Fund Shares shall

be rounded downwards to the nearest Fund Minimum Tradable Quantity and the cash equivalent of such fraction (the **Additional Cash Amount**) will be paid to this Noteholder. The Additional Cash Amount shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the above mentioned fraction and (ii) the traded NAV as of the close of trading published by the Fund (or its Fund Service Provider that generally determines such value) on the date specified in the applicable Final Terms or, if such NAV is not available in the sole opinion of the Calculation Agent on such date, the NAV determined by the Calculation Agent in its sole and absolute discretion.

Delivery of any Fund Shares is subject to all applicable laws, regulations and practices and neither the Issuer nor the Delivery Agent shall incur liability whatsoever if it is unable to deliver or procure the delivery of the Fund Shares to the Noteholder because of any such laws, regulations or practices. Neither the Issuer nor the Delivery Agent shall under any circumstances be liable for any acts or defaults of Euroclear and/or Clearstream, as may be applicable, and/or the Fund Share Clearance System in relation to the performance of the duties in relation to the Notes, including but not limited to the delivery of the Fund Shares to the Noteholder.

After delivery by the Issuer or the Delivery Agent to the relevant Noteholder(s) through Euroclear and/or Clearstream, as may be applicable, and/or the Fund Share Clearance System of the Fund Shares (if applicable) and for such period of time as the Issuer or its agent or nominee shall continue to be registered in any clearance system or otherwise as the owner of the Fund Shares (the **Intervening Period**), neither the Issuer nor its agent or nominee shall:

- (I) be under any obligation to deliver to such Noteholder(s) or any subsequent beneficial owner of the Fund Shares any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or its agent or nominee in its capacity as the holder thereof; or
- (II) exercise any or all rights (including voting rights) attaching to such Fund Shares or part thereof during the Intervening Period without the prior written consent of the relevant Noteholder(s), provided that neither the Issuer nor its agent or nominee shall be under any obligation to exercise any such rights during the Intervening Period; or
- (III) be under any liability to such Noteholder(s) or any subsequent beneficial owner of the Fund Shares in respect of any loss or damage which such Noteholder(s) or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of the Issuer or its agent or nominee being registered in such clearance



system or otherwise during such Intervening Period as legal owner of the Fund Shares.

The Issuer or the Delivery Agent shall not be under any obligation to register or procure the registration of any holder of any Note, or any other person acting on behalf of such holder, or any other person, as the registered holder of any Fund Shares in respect of such Note.

No right to dividends on the Fund Shares will accrue to Noteholders prior to the Settlement Date.

(F) *Range Accrual*

(1) Definitions

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means any Monitoring Day where the NAV as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Trigger Price.

**Trigger Price** means the NAV specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth in this Condition 23(f).

**Trigger Valuation Time** means the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(2) Consequences

If "*Range Accrual*" is specified as applicable in the Final Terms, then the provisions comprised in this Condition 23(f) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(3) Consequences of Disrupted Days

If any Monitoring Day is a Disrupted Day, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.

**24. Terms for Fund Linked Notes (basket of funds)**

This Condition 24 applies if and as specified in the applicable Final Terms.

**(a) General Definitions**

**Affected Fund Share** means any Fund Share affected by a Fund Share Event.

**Announcement Date** means, in respect of any Fund Share Event, respectively (i) in the case of a Nationalisation, the date of the first public announcement to nationalise (whether or not subsequently amended) that leads to the Nationalisation, (ii) in the case of a Fund Insolvency Filing, the date of the first public announcement of the dissolution, appointment of an administrator, provisional liquidator or other similar official, institution of a proceeding or presentation of a petition or passing of a resolution (or other analogous procedure in any jurisdiction) that leads to the Fund Insolvency Filing and (iii) in the case of any other event constituting a Fund Share Event, the date of the first public announcement by the relevant Fund (or its Fund Service Provider that generally determines such value) of the occurrence of such relevant event. If the announcement of such Fund Share Event is made after the time on which the NAV is currently published by such Fund (or its Fund Service Provider that generally determines such value), the Announcement Date shall be deemed to be the next following relevant Scheduled Trading Day.

**Barrier Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms and, in respect of any Fund Share comprising the Basket, the NAV specified as such or otherwise determined in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such or otherwise determined in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below.

**Basket** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, a set comprising at any time a number of different Funds equal to the Specified Number of Funds specified as such in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, a basket composed of Fund Shares of each Fund specified in the applicable Final Terms in the relevant Weighting specified in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)) below. The Basket shall be specified on the Issue Date in a table set forth in the applicable Final Terms.

**Basket Performance** means, in respect of any Fund Share and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Early Redemption Amount** means, in respect of any Note, an amount determined by the Calculation Agent, in its sole and absolute discretion, in the Specified Currency specified as such in the applicable Final Terms, to be the fair market value of a Note based on the market conditions prevailing at the date of determination and, for any Note other than Italian Notes or Notes Distributed/Offered in Italy, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes). In respect of Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Early Redemption Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

**Exchange Rate** means, in respect of any Exchange Rate Determination Date, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms on such Exchange Rate Determination Date. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Exchange Rate (or a method for determining the Exchange Rate).

**Exchange Rate Business Day** means any day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in the financial centre(s) specified as such in the applicable Final Terms.

**Exchange Rate Determination Date** means, in respect of any amount for the purposes of which an Exchange Rate has to be determined, the Exchange Rate Business Day that is the number of Exchange Rate Business Days specified as such in the applicable Final Terms preceding the date of determination of such amount by the Calculation Agent.

**Extraordinary Event** means each of the events defined in Condition 24(f)(C)(1) (Particular Provisions).

**Final Price** means either:

(i) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Fund Share:

(1) in respect of any Valuation Date, the NAV per such Fund Share, as determined by the Calculation Agent, published by the Fund (or its Fund Service Provider that generally determines such value) on such Valuation Date;

OR

(2) in respect of any Monitoring Day, the NAV per such Fund Share, as determined by the Calculation Agent, published by the Fund (or its Fund Service Provider that generally determines such value) on such Monitoring Day;

OR

(3) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which this Fund Share is valued (with halves being rounded up)) of the relevant Relevant Prices on each of such Averaging Dates.

(ii) If Separate Valuation is specified as not applicable in the applicable Final Terms:

(a) in respect of any Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the NAV per such Fund Share, as determined by the Calculation Agent, published by the Fund (or its Fund Service Provider that generally determines such value) on such Valuation Date and (ii) the relevant Weighting; or

(b) in respect of the Averaging Dates relating to an Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Averaging Dates as the sum of the values for the Fund Shares of each Fund as the product of (i) the Relevant Price of such Fund Share on each of such Averaging Dates and (ii) the relevant Weighting.

**Fluctuation Limit** means, in respect of any Fund Share specified in the applicable Final Terms, the percentage of decrease of the value of this Fund Share which allow the Calculation Agent to determine the occurrence of an Extraordinary Event and which will be specified as such in the applicable Final Terms or if no percentage is specified the Fluctuation Limit shall be deemed equal to 10%.

**Fund** means, in respect of any Fund Share specified in the applicable Final Terms, the issuer of such Fund Share as specified in the applicable Final Terms in respect with the definition of Basket (collectively the **Companies**), subject to adjustment from time to time in accordance with the provisions as set out in Condition 24(f) (Particular Provisions) below.

**Fund Administrator** means, in respect of any Fund, the administrator, manager, trustee or other similar person with the primary administrative responsibilities for such Fund specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 24(f) (Particular Provisions) below.

**Fund Adviser** means, in respect of any Fund, any person appointed in the role of discretionary investment manager or non-discretionary investment adviser (including a non-discretionary investment adviser to a discretionary investment manager or to another non-discretionary investment adviser) for such Fund, as specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 24(f) (Particular Provisions) below.

**Fund Business Day** means, in respect of any Fund, any day such Fund or the relevant primary Fund Administrator is open for business, subject to adjustments and modifications in accordance with the Fund Documentation of such Fund, if any.

**Fund Documentation** means, in respect of any Fund, the constitutive and governing documents, subscription agreements and other agreements of such Fund specifying the terms and conditions relating to the relevant Fund Share and, for the avoidance of doubt, any other documents or agreements in respect of that Fund, as further described in any relevant Fund Documentation, in each case as amended from time to time.

**Fund Service Provider** means, in respect of any Fund, any person who is appointed to provide services, directly or indirectly, to such Fund, whether or not specified in the relevant Fund Documentation, including (without limitation) any Fund Adviser, Fund Administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent or domiciliary agent, as specified as such in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions as set out in Condition 24(f) (Particular Provisions) below.

**Fund Share** means, in respect of any Fund incorporated as a company, an ordinary share in the capital of such Fund or, as the case may be, in respect of any Fund incorporated as a mutual fund, a collective investment securities, a French fonds commun de placement or a trust, a unit of account of ownership in such Fund, as specified in the applicable Final Terms with the ISIN (International Securities Identification Number) code or any other identification code as of the Issue Date specified as such in the applicable Final Terms, subject to adjustment or replacement from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below.

**Fund Share Clearance System Settlement Disruption Event** means, in respect of any Fund Share, an event beyond the control of the Issuer as a result of which (i) the relevant Fund Share Clearance System cannot clear the transfer of these Fund Share or (ii) the relevant Fund Share Clearance System ceases to clear all or any of such Fund Shares.

**Fund Share Clearance System** means, in respect of any Fund Share, the principal domestic clearance system customarily used for settling trades in this Fund Share at any relevant time, as determined by the Calculation Agent.

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

**Fund Share Event** means, in respect of any Fund Share, that a Potential Adjustment Event occurs.

**Fund Share Performance** means, in respect of any Fund Share and any Valuation Date and/or any Monitoring Day and/or any Observation Period, a rate determined by the Calculation Agent in accordance with the formula specified as such in the applicable Final Terms.

**Highest Fund Share Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically highest Fund Share Performance as determined by the Calculation Agent among the Fund Share Performances determined on such Valuation and/or such Monitoring Day and/or such Observation Period.

**Highest Performing Fund Share** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Fund Share with the Highest Fund Share Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Initial Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Fund Share, the NAV per such Fund Share specified as such or otherwise determined in the applicable Final Terms or, if no such NAV is specified or otherwise determined in the applicable Final Terms, the NAV of such Fund Share as determined by the Calculation Agent published by such Fund (or its Fund Service Provider that generally determines such value) on the Strike Date,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such or otherwise determined in the applicable Final Terms or, if no such price is specified or otherwise determined in the applicable Final Terms, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the NAV of such Fund Share as determined by the Calculation Agent published by such Fund (or its Fund Service Provider that generally determines such value) on the Strike Date and (ii) the relevant Weighting,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below.

**Lowest Fund Share Performance** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the numerically lowest Fund Share Performance as determined by the Calculation Agent among the Fund Share Performances determined on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Lowest Performing Fund Share** means, in respect of any Valuation Date and/or any Monitoring Day and/or any Observation Period, the Fund Share with the Lowest Fund Share Performance on such Valuation Date and/or such Monitoring Day and/or such Observation Period.

**Max** followed by a series of numbers inside brackets means whichever is the greater of the numbers separated by a ";" inside those brackets.

**Min** followed by a series of numbers inside brackets means whichever is the lesser of the numbers separated by a ";" inside those brackets.

**NAV Observation Period** means, in respect of any Fund Share, each period specified as such in the applicable Final Terms.

**Net Asset Value** or **NAV** means, in respect of any Fund Share, the net asset value per such Fund Share, as calculated and published by the relevant Management Company or the relevant Fund Administrator or the relevant Fund Service Provider or other person that generally reports such value on behalf of that Fund to its investors or a publishing service on such day provided that the Calculation Agent is entitled to adjust the net asset value per such Fund Share of the Fund to reflect, without duplication, the relevant portion per Fund Share of any fees, commission, costs or charge and duties, taxes or levies that may be payable and/or incurred in connection with the redemption of such Fund Share.

**Observation Period** means each period specified as such in the applicable Final Terms.

**Relevant Price** means, in respect of any Fund Share and any Averaging Date, the NAV per such Fund Share, as determined by the Calculation Agent, published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Averaging Date.

**Scheduled Trading Day** means, in respect of any Fund Share, any day on which it is scheduled that (i) the NAV of this Fund will be published in accordance with the relevant Fund Documentation, and (ii) subscription or redemption orders of these Fund Shares can be received by such Fund.

**Settlement Cycle** means, in respect of any Fund Share, the period of relevant Fund Share Clearance System Business Days following a trade in this Fund Share on any system or platform in which settlement will customarily occur according to the rules of such platform.

**Specified Number of Funds** means, if Separate Valuation is specified as applicable in the applicable Final Terms, the number specified as such in the applicable Final Terms. The number of different Funds comprising the Basket shall be equal at any time to the Specified Number of Funds.

**Valuation Time** means, in respect of any Fund Share, the time specified as such in the applicable Final Terms or, if no such time is specified, the time on which the NAV of this Fund Share is published by such Fund (or its Fund Service Provider that generally determines such value).

**Weighting** or  $W_i$  means, in respect of any Fund Share, the percentage in respect of such Fund Share specified as such in the applicable Final Terms.

> means that the item or number preceding this sign will be higher than the item or number following this sign.

< means that the item or number preceding this sign will be lower than the item or number following this sign.

$\geq$  means that the item or number preceding this sign will be equal to or higher than the item or number following this sign.

$\leq$  means that the item or number preceding this sign will be equal to or lower than the item or number following this sign.

| | or **Abs ()** means the absolute value of the item or number inside the brackets.

% means per cent., i.e. a fraction of 100. For avoidance of doubt, 1% or 1 per cent. is equal to 0.01.

<sup>n</sup> means that the product of the formula appearing before this symbol is multiplied by itself "n-1" times. (E.g.:  $(S+D) \times (1+r)^5$  means  $(S+D) \times (1+r) \times (1+r) \times (1+r) \times (1+r) \times (1+r)$ ).

**(b) Valuation**

(A) *Strike Date*

**Strike Date** means, in respect of any Fund Share, the date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (*Consequences of Disrupted Day(s)*).

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

(B) *Valuation Date*

**Valuation Date** means, in respect of any Fund Share, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Scheduled Trading Day, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)).

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

(C) *Averaging Date*

**Averaging Date** means, in respect of any Fund Share and any Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Valid Date, subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)).

**Valid Date** means, in respect of any Fund Share, a relevant Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

(c) *Consequences of Disrupted Day(s)*

(A) *Definitions*

**Disrupted Day** means, in respect of any Fund Share, any Scheduled Trading Day on which a Market Disruption Event has occurred.

**Hypothetical Investor** means, in respect of any Fund, a hypothetical or actual investor (as determined by the Calculation Agent in the context of the relevant situation) in the Fund Share of such Fund which is deemed to have the benefits and obligations, as provided in the relevant Fund Documentation, of an investor holding such Fund Share at the relevant time. The relevant Hypothetical Investor may be deemed by the Calculation Agent to be resident or organised in any jurisdiction, and to be, without limitation, the Issuer, the Guarantor (if applicable), the Calculation Agent or any of their affiliates (as determined by the Calculation Agent in the context of the relevant situation).

**Liquidity Disruption** means, in respect of any Fund, any suspension, limitation or delay in the redemption of Fund Shares of such Fund, be it either in accordance with the provisions of the relevant Fund Documentation or for other reasons.

**Market Disruption Event** means, in respect of any Fund Share:

- (A) the failure by the relevant Fund (or its Fund Service Provider that generally determines such value) to publish the NAV of such Fund Share on the relevant Valuation Date or Averaging Date or Knock-in Determination Day or Knock-out Determination Day or Automatic Early Redemption Valuation Date (save that if an event occurs that constitutes both a Market Disruption Event and an Extraordinary Event for the relevant Fund (as defined above) such event shall constitute an Extraordinary Event for such Fund and not a Fund Market Disruption Event); or
- (B) the occurrence or existence of (i) a Valuation Disruption, or (ii) a Liquidity Disruption or (iii) a Settlement Disruption, which in either case the Calculation Agent, in its sole and absolute discretion, determines is material.



**Redemption Notice Date** means, with respect to any Valuation Date or Averaging Date or Automatic Redemption Valuation Date and any Fund Share, the last date on which a Hypothetical Investor would be permitted, pursuant to the relevant Fund Documentation, to submit a redemption notice that would be timely for a redemption as of the Scheduled Redemption Valuation Date occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, or if no Scheduled Redemption Valuation Date is occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, the immediately preceding Scheduled Redemption Valuation Date.

**Redemption Proceeds** means, in respect of any Fund, the redemption proceeds, as determined by the Calculation Agent, that would be paid by such Fund to a Hypothetical Investor who, as of the relevant Redemption Valuation Date, redeems such Fund Share, provided that (1) any such proceeds that would be paid in property other than cash shall be valued by the Calculation Agent in its reasonable discretion and (2) if the Hypothetical Investor would be entitled to elect payment of such redemption proceeds to be made either in the form of cash or other property, then the Hypothetical Investor shall be deemed to have elected cash payment.

**Redemption Valuation Date** means, with respect to any Scheduled Redemption Valuation Date and of any Fund Share, the date as of which such Fund (or its Fund Service Provider that generally determines such value) would determine the NAV of such Fund Share for purposes of calculating the redemption proceeds to be paid to a Hypothetical Investor that had submitted a valid notice for redemption on or before the related Redemption Notice Date.

**Scheduled Redemption Valuation Date** means, in respect of any Fund Share, the date as of which such Fund (or any of the relevant Fund Service Providers that generally determines such value) is scheduled, according to the relevant Fund Documentation (without giving effect to any gating, deferral, suspension or other provisions permitting such Fund to delay or refuse redemption of the relevant Fund Shares), to determine the NAV of such Fund Share for purposes of calculating the redemption proceeds to be paid to an investor that has submitted a valid and timely notice for redemption of such Fund Shares based on the value determined as of such date. The Scheduled Redemption Valuation Date relating to any Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, shall be the Scheduled Redemption Valuation Date occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, as the case may be, or if no Scheduled Redemption Valuation Date is occurring on such Valuation Date or Averaging Date or Automatic Redemption Valuation Date, the immediately preceding Scheduled Redemption Valuation Date.

**Scheduled Redemption Payment Date** means, with respect to any Scheduled Redemption Valuation Date and any Fund, the date by which such Fund is scheduled to have paid, according to its Fund Documentation, all or a specified portion of the redemption proceeds to an investor that has submitted a timely and valid notice requesting redemption of the relevant Fund Shares as of such Scheduled Redemption Valuation Date.

**Settlement Disruption** means, in respect of any Fund Share and any day, a failure by the relevant Fund to pay the full amount of the Redemption Proceeds with respect to such Fund Share scheduled to have been paid on or by such day according to the

relevant Fund Documentation (without giving effect to any gating, deferral, suspension or other provisions permitting the relevant Fund to delay or refuse a redemption of such Fund Shares).

**Valuation Disruption** means, in respect of any Fund Share, that:

- (A) the NAV of such Fund Share is not determined by such Fund (or its Fund Service Provider that generally determines such value) as set out in the relevant Fund Documentation;
- (B) the determination and/or publication of the NAV of such Fund Share by such Fund (or its Fund Service Provider that generally determines such value) in accordance with the Fund Documentation is suspended; or
- (C) the NAV of such Fund Share as so published by such Fund (or its Fund Service Provider that generally determines such value) is, in the reasonable opinion of the Calculation Agent, incorrect.

(B) *Provisions*

(1) **Strike Date**

If, in respect of any Fund Share, the Strike Date is a Disrupted Day, then the Strike Date for this Fund Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date is a Disrupted Day.

In that case, (i) the Ultimate Strike Date shall be deemed to be the Strike Date for this Fund Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Initial Price, if Separate Valuation is specified as applicable in the applicable Final Terms, or the relevant NAV of such Fund Share (for the purpose of determining the Initial Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Fund Share as of the Valuation Time on the Ultimate Strike Date.

**Ultimate Strike Date** means, in respect of any Fund Share, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the Scheduled Strike Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) **Valuation Date**

If, in respect of any Fund Share, any Valuation Date is a Disrupted Day, then this Valuation Date for this Fund Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Valuation Date shall be deemed to be that Valuation Date for this Fund Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Final Price, if Separate

Valuation is specified as applicable in the applicable Final Terms, or the relevant NAV of such Fund Share (for the purpose of determining the Final Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Fund Share as of the Valuation Time on that Ultimate Valuation Date.

**Ultimate Valuation Date** means, in respect of any Fund Share and any Scheduled Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Scheduled Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(3) **Averaging Dates**

If, in respect of any Fund Share, any Averaging Date is a Disrupted Day, then this Averaging Date for this Fund Share shall be the first succeeding Valid Date. If the first succeeding Valid Date has not occurred as of the Valuation Time on the Ultimate Averaging Date, then (1) the Ultimate Averaging Date shall be deemed to be that Averaging Date for this Fund Share (irrespective of whether the Ultimate Averaging Date is already an Averaging Date), and (2) the Relevant Price in respect of that Averaging Date shall be the Calculation Agent's good faith estimate of the value for this Fund Share as of the Valuation Time on the Ultimate Averaging Date.

**Ultimate Averaging Date** means, in respect of any Fund Share and any Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Averaging Date or Disrupted Day, would have been the final Averaging Date relating to this Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(4) **Knock-in Event and Knock-out Event**

If any Knock-in Determination Day or Knock-out Determination Day is a Disrupted Day, then such Knock-in Determination Day or Knock-out Determination Day will be deemed not to be a Knock-in Determination Day or Knock-out Determination Day for the purposes of determining the occurrence of a Knock-in Event or a Knock-out Event.

(d) ***Knock-in Event and Knock-out Event***

(A) ***Knock in Event***

**Knock-in Event** means either:

- (1) If Separate Valuation is specified as applicable in the applicable Final Terms, that the NAV(s) of any Fund Share(s) determined by the Calculation Agent as of the relevant Knock-in Valuation Time of a number of Fund

Shares equal to the Knock-in Number of Fund Shares specified in the applicable Final Terms on any Knock-in Determination Day is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Knock-in Price(s).

OR

- (2) If Separate Valuation is specified as not applicable in the applicable Final Terms, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the NAV of such Fund Share as determined by the Calculation Agent as of the Knock-in Valuation Time on any Knock-in Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Knock-in Price.

If **Knock-in Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes (as specified in the applicable Final Terms) and/or payment and/or delivery under the relevant Notes subject to a Knock-in Event shall be conditional upon the occurrence of such Knock-in Event.

**Knock-in Number of Fund Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Knock-in Number of Fund Shares shall be deemed equal to one.

**Knock-in Price** means, either:

- (A) If Separate Valuation is specified as applicable in the applicable Final Terms and in respect of any Fund Share, the NAV of such Fund Share specified as such or otherwise determined in the applicable Final Terms,

OR

- (B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such or otherwise determined in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Day** means, in respect of any Fund Share, each Scheduled Trading Day during the Knock-in Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)) above.

**Knock-in Determination Period** means, in respect of any Fund Share, the period which commences on, and includes, the Knock-in Period Beginning Date and ends on, and includes, the Knock-in Period Ending Date.

**Knock-in Period Beginning Date** means, in respect of any Fund Share, the date specified as such in the applicable Final Terms or, if the Knock-in Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Period Ending Date** means, in respect of any Fund Share, the date specified as such in the applicable Final Terms or, if the Knock-in Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-in Valuation Time** means, in respect of any Fund Share, the time or period of time on any Knock-in Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-in Valuation Time, the Knock-in Valuation Time shall be the Valuation Time.

(B) *Knock-out Event*

**Knock-out Event** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, that the NAV(s) of any Fund Share(s) determined by the Calculation Agent as of the relevant Knock-out Valuation Time of a number of Fund Shares equal to the Knock-out Number of Fund Shares specified in the applicable Final Terms on any Knock-out Determination Day is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Knock-out Price(s),

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, that the amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the NAV of such Fund Share as determined by the Calculation Agent as of the Knock-out Valuation Time on any Knock-out Determination Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (a) "greater than", (b) "greater than or equal to", (c) "less than" or (d) "less than or equal to" the Knock-out Price.

If **Knock-out Event** is specified as applicable in the Final Terms, then amendment to the terms of the Notes, as specified in the applicable Final Terms, and/or payment and/or delivery under the relevant Notes subject to a Knock-out Event shall be conditional upon the occurrence of such Knock-out Event.

**Knock-out Number of Fund Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Knock-out Number of Fund Shares shall be deemed equal to one.

**Knock-out Price** means either:

(A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Fund Share, the NAV per such Fund Share specified as such or otherwise determined in the applicable Final Terms,

OR

(B) If Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such or otherwise determined in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below and to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) (Consequences of Disrupted Day(s)) above.

**Knock-out Determination Day** means, in respect of any Fund Share, each Scheduled Trading Day during the Knock-out Determination Period subject to "*Consequences of Disrupted Day(s)*" set forth in Condition 24(c) above.

**Knock-out Determination Period** means, in respect of any Fund Share, the period which commences on, and includes, the Knock-out Period Beginning Date and ends on, and includes, the Knock-out Period Ending Date.

**Knock-out Period Beginning Date** means, in respect of any Fund Share, the date specified as such in the applicable Final Terms or, if the Knock-out Period Beginning Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Period Ending Date** means, in respect of any Fund Share, the date specified as such in the applicable Final Terms or, if the Knock-out Period Ending Date Scheduled Trading Day Convention is specified as applicable in the applicable Final Terms and such date is not a Scheduled Trading Day, the next following Scheduled Trading Day.

**Knock-out Valuation Time** means, in respect of any Fund Share, the time or period of time on any Knock-out Determination Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Knock-out Valuation Time, the Knock-out Valuation Time shall be the Valuation Time.

(e) ***Automatic Early Redemption***

(A) ***Definitions***

**Automatic Early Redemption Averaging Date** means, in respect of any Fund Share and any Automatic Early Redemption Observation Period, each date specified as such in the applicable Final Terms or, if such date is not a relevant Scheduled Trading Day, the next following relevant Automatic Early Redemption Valid Date subject to "*Consequences of Disrupted Day(s)*" set forth below.

**Automatic Early Redemption Date** means each date specified as such in the applicable Final Terms, subject to adjustment in accordance with the Business Day Convention specified in the applicable Final Terms.

**Automatic Early Redemption Event** means that the Fund Share Price or, if Separate Valuation is specified as applicable in the applicable Final Terms, the Fund Share Price(s) of a number of Fund Shares equal to the Automatic Early Redemption Number of Fund Shares specified in the applicable Final Terms is (are), as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" its (their) respective Automatic Early Redemption Price(s).

**Automatic Early Redemption Number of Fund Shares** means the number specified as such in the applicable Final Terms or if no number is specified the Automatic Early Redemption Number of Fund Shares shall be deemed equal to one.

**Automatic Early Redemption Observation Period** means each period specified as such in the applicable Final Terms.

**Automatic Early Redemption Price** means, either:

- (A) if Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Fund Share, the NAV per such Fund Share specified as such or otherwise determined in the applicable Final Terms; or
- (B) if Separate Valuation is specified as not applicable in the applicable Final Terms, the price per Basket specified as such or otherwise determined in the applicable Final Terms,

subject to adjustment from time to time in accordance with the provisions set forth in Condition 24(f) (Particular Provisions) below.

**Automatic Early Redemption Rate** means, in respect of any Automatic Early Redemption Date, the rate specified as such in the applicable Final Terms.

**Automatic Early Redemption Valid Date** means, in respect of any Fund Share, a relevant Scheduled Trading Day that is not a Disrupted Day and on which another Averaging Date does not or is not deemed to occur.

**Automatic Early Redemption Valuation Date** means, in respect of any Fund Share, each date specified as such in the applicable Final Terms or, if such date is not a Scheduled Trading Day, the next following Scheduled Trading Day subject to Consequences of Disrupted Day(s) set forth below.

**Fund Share Price** means either:

- (A) If Separate Valuation is specified as applicable in the applicable Final Terms, in respect of any Fund Share:
  - (ii) in respect of any Automatic Early Redemption Valuation Date, the NAV per such Fund Share as determined by the Calculation Agent published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Automatic Early Redemption Valuation Date; OR
  - (iii) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent (rounded to the nearest unit of the Specified Currency in which such Fund Share is valued (with halves being rounded up)) of the Specified Prices on each of such Automatic Early Redemption Averaging Dates;

OR

- (B) If Separate Valuation is specified as not applicable in the applicable Final Terms:
  - (a) in respect of any Automatic Early Redemption Valuation Date, an amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the NAV per such Fund Share as determined by the Calculation Agent published by the relevant Fund (or its Fund

Service Provider that generally determines such value) on such Automatic Early Redemption Valuation Date and (ii) the relevant Weighting; or

- (b) in respect of the Automatic Early Redemption Averaging Dates relating to an Automatic Early Redemption Observation Period, the arithmetic average as determined by the Calculation Agent of the amounts for the Basket calculated on each of such Automatic Early Redemption Averaging Dates as the sum of the values for the Fund Shares of each Fund as the product of (i) the Specified Prices of such Fund Share on each of such Automatic Early Redemption Averaging Dates and (ii) the relevant Weighting.

**Scheduled Automatic Early Redemption Valuation Date** means, in respect of any Fund Share, the original date that, but for the occurrence of an event causing a Disrupted Day, would have been an Automatic Early Redemption Valuation Date.

**Specified Price** means, in respect of any Fund Share and any Automatic Early Redemption Averaging Date, the NAV per such Fund Share as determined by the Calculation Agent published by the relevant Fund (or its Fund Service Provider that generally determines such value) on such Automatic Early Redemption Averaging Date; OR

(B) *Consequences of the occurrence of an Automatic Early Redemption Event*

If "*Automatic Early Redemption Event*" is specified as applicable in the Final Terms, then unless previously redeemed or purchased and cancelled, if on any Automatic Early Redemption Valuation Date the Automatic Early Redemption Event occurs, then the Notes will be automatically redeemed in whole, but not in part, on the Automatic Early Redemption Date immediately following such Automatic Early Redemption Valuation Date and the Redemption Amount payable by the Issuer on such date upon redemption of each Note shall be an amount equal to the relevant Automatic Early Redemption Amount.

**Automatic Early Redemption Amount** means (a) an amount in the Specified Currency specified in the applicable Final Terms or if such amount is not specified, and (b) the product of (i) the Calculation Amount and (ii) the relevant Automatic Early Redemption Rate relating to that Automatic Early Redemption Date.

(C) *Consequences of Disrupted Days*

(1) Automatic Early Redemption Valuation Date

If, in respect of any Fund Share, any Automatic Early Redemption Valuation Date is a Disrupted Day, then this Automatic Early Redemption Valuation Date for this Fund Share shall be the first succeeding Scheduled Trading Day that is not a Disrupted Day, unless each of the Specific Number of Scheduled Trading Days immediately following the relevant Scheduled Automatic Early Redemption Valuation Date is a Disrupted Day.

In that case, (i) the relevant Ultimate Automatic Early Redemption Valuation Date shall be deemed to be that Automatic Early Redemption Valuation Date for this Fund Share, notwithstanding the fact that such day is a Disrupted Day, and (ii) the relevant Fund Share Price, if Separate Valuation is specified as applicable in the applicable Final Terms, or the relevant NAV of such



Fund Share (for the purpose of determining the Fund Share Price of the Basket), if Separate Valuation is specified as not applicable in the applicable Final Terms, shall be the Calculation Agent's good faith estimate of the value for this Fund Share as of the Valuation Time on that Ultimate Automatic Early Redemption Valuation Date.

**Ultimate Automatic Early Redemption Valuation Date** means, in respect of any Fund Share, and any Automatic Early Redemption Valuation Date, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following such Automatic Early Redemption Valuation Date.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(2) Automatic Early Redemption Averaging Date

If, in respect of any Fund Share, any Automatic Early Redemption Averaging Date is a Disrupted Day, then this Automatic Early Redemption Averaging Date or this Fund Share shall be the first succeeding Automatic Early Redemption Valid Date. If the first succeeding Automatic Early Redemption Valid Date has not occurred as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date, then (A) the Ultimate Automatic Early Redemption Averaging Date for this Fund Share shall be deemed to be that Automatic Early Redemption Averaging Date (irrespective of whether the Ultimate Automatic Early Redemption Averaging Date is already an Automatic Early Redemption Averaging Date), and (B) the Specified Price in respect of that Automatic Early Redemption Averaging Date shall be the Calculation Agent's good faith estimate of the value for this Fund Share as of the Valuation Time on the Ultimate Automatic Early Redemption Averaging Date.

**Ultimate Automatic Early Redemption Averaging Date** means, in respect of any Fund Share and any Automatic Early Redemption Observation Period, the Scheduled Trading Day which is the last of the Specific Number of Scheduled Trading Days immediately following the original date that, but for the occurrence of another Automatic Early Redemption Averaging Date or Disrupted Day, would have been the final Automatic Early Redemption Averaging Date relating to this Automatic Early Redemption Observation Period.

**Specific Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to eight.

(f) **Particular Provisions**

(A) *Potential Adjustment Events*

(1) Definitions

**Potential Adjustment Event** means, with respect to any Fund and/or any Fund Share, any of the following as determined by the Calculation Agent:

- (ii) a subdivision, consolidation or reclassification of Fund Shares, or a free distribution or dividend of any such Fund Shares to existing holders by way of bonus, capitalisation or similar issue;
- (iii) a distribution, issue or dividend to existing holders of relevant Fund Shares of (A) such Fund Shares, or (B) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the Fund equally or proportionately with such payments to holders of such Fund Shares, or (C) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the Fund as a result of a spin-off or other similar transaction, or (D) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iv) a dividend which the Calculation Agent determines, in its sole discretion and acting in good faith and in a commercially reasonable manner, should (in whole or part) be characterised as an extraordinary dividend;
- (v) a call by the Fund in respect of Fund Shares that are not fully paid;
- (vi) a repurchase by the Fund or any of its subsidiaries of relevant Fund Shares whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
- (vii) in respect of the Fund, an event that results in any shareholder rights being distributed or becoming separated from shares of common stock or other shares of the capital stock of the Fund pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value, as determined by the Calculation Agent, provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights; or
- (viii) any other similar event that may have a diluting or concentrative effect on the theoretical value of the relevant Fund Shares.

(2) Consequences

- (i) Subject to sub-paragraph (iv) below, if, in respect of any Fund Share, a Potential Adjustment Event occurs from, and including, the Issue Date to, and including, the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, the Calculation Agent will promptly determine, in its sole and absolute discretion, whether such Potential Adjustment Event has a diluting or concentrative effect on the theoretical value of that Fund Share and, if so, will:
  - (I) make such adjustment(s), if any, to any one or more of the Barrier Price and/or the Trigger Price and/or the Initial

Price and/or the Knock-in Price and/or the Knock-out Price and/or the Automatic Early Redemption Price and/or the specific Weighting and/or (if Redemption by Physical Delivery) the Relevant Number of Fund Shares and/or any of the other relevant terms of the Notes that the Calculation Agent determines, in its sole and absolute discretion, to be appropriate to account for that diluting or concentrative effect; and

- (II) determine, in its sole and absolute discretion, the effective date(s) of such adjustment(s).
- (ii) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines that the theoretical change in value of any Fund Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to one per cent. (or otherwise specified in the applicable Final Terms) of the value of that property immediately before the occurrence of that event or those events.
- (iii) No adjustments to the property comprised within any Fund Share will be required other than those specified above. However, subject to sub-paragraph (iv) below, the Issuer may cause the Calculation Agent to make additional adjustments to the property comprised within any Fund Share to reflect changes occurring in relation to such property in other circumstances where the Issuer determines, in its sole and absolute discretion, that such changes are appropriate.
- (iv) If Essential Trigger is specified as applicable in the applicable Final Terms, the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes or Condition 15 (Discretion) of the Terms and Conditions of the French Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer to be able to elect to adjust any provisions of the Notes pursuant to this Condition 24.

(B) *Correction of value or prices of a Fund Share*

In the event that, in respect of any Fund or Fund Share, any price published by or on behalf of such Fund which is utilised by the Calculation Agent for any determination (the **Original Determination**) is subsequently corrected and the correction is published within one relevant Settlement Cycle after the original publication or, such Fund with respect to any Fund Share adjusts the Redemption Proceeds that would have been paid to a Hypothetical Investor redeeming such Fund Share, and such adjustment would be reflected in either an additional payment to such Hypothetical Investor or a claim of excess Redemption Proceeds made against such Hypothetical Investor, in each case no later than the fifth Fund Business Day, (each a **Correction**), then the Calculation Agent will notify the Issuer of such Correction as soon as reasonably practicable and shall determine the relevant value (the **Replacement Determination**) with regard to such Correction.

If the result of the Replacement Determination is different from the result of the Original Determination, to the extent that it determines it to be necessary, the Calculation Agent may adjust any relevant terms hereof accordingly.

For the avoidance of doubt, Noteholders shall not be entitled to make any claim against the Issuer or the Calculation Agent in the case where any Original Determination is not subsequently corrected and/or the correction of the Original Determination is announced by the relevant Fund Service Provider after the second Scheduled Trading Day immediately preceding the payment date of the amount due and payable under the Notes which is linked to that Original Determination.

(C) *Extraordinary Events*

(1) Definitions

**Adviser Resignation** means, in respect of any Fund,

- (ii) the resignation, termination, or replacement of its relevant Fund Adviser; or
- (iii) the resignation, termination, death or replacement of any key person of such Fund Adviser.

**Change of Investment Policy** means, in respect of any Fund, that the Fund Adviser of the Fund effects or announces an intention to effect a change in the investment objectives, risk profile or investment guidelines of the Fund in any material respect or makes any other material change to the terms and conditions of the Fund.

**Change in Law** means, unless otherwise determined in the relevant Final Terms and in respect of any Fund, that, on or after the Issue Date:

- (ii) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), rule, regulation or order, any regulatory or tax authority ruling, or any regulation, rule or procedure of any exchange (an **Applicable Regulation**); or
- (iii) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority) of such Fund,

any of the Issuer or the Calculation Agent determines in its reasonable discretion that:

- (1) unless Hedging Arrangements are specified as not applicable in the relevant Final Terms, it has or will become or contrary to any Applicable Regulation for it, any of its affiliates or any entities which are relevant to the Hedging Arrangements, to hold, acquire or dispose of interests in such Fund;
- (2) it will incur a materially increased cost in performing its obligations under these Note (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its

tax position) or any requirements in relation to reserves, special deposits, insurance assessments or other requirements.

**Fund Hedging Disruption** means, where specified as applicable in the relevant Final Terms, unless otherwise determined in the relevant Final Terms and in respect of any Fund Share, that it is for the Issuer or for any third party with whom the Issuer enters into a hedging transaction, with regard to its obligations incurred under the Notes, impossible or impractical, after using commercially reasonable efforts, to:

- (ii) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction or asset it deems necessary or appropriate to hedge the price risk relating to such Fund Shares; or
- (iii) realise, recover or remit the proceeds of any such transaction or asset, including, without limitation, where such inability or impracticability has arisen by reason of:
  - (1) any restrictions or increase in charges or fees imposed by the relevant Fund with regard to the redemption of interests, in whole or in part, or any existing or new investor's ability to make new or additional investments in that Fund, or
  - (2) any mandatory redemption, in whole or in part, of interests imposed by that Fund (in each case other than any restriction in existence on the Issue Date).

**Liquidation** means, in respect of any Fund Share, that by reason of voluntary or involuntary liquidation or winding up of the relevant Fund Administrator, such Fund Shares are required to be transferred to a manager, trustee, liquidator or other similar official or holders of such Fund Shares become legally prohibited from transferring them.

**Fund Insolvency Filing** means, in respect of any Fund:

- (ii) is dissolved or has a resolution passed for its dissolution, winding-up, official liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (iii) makes a general assignment or arrangement with or for the benefit of its creditors;
- (iv) (1) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official, or (2) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or

liquidation, and such proceeding or petition is instituted or presented by a person or entity not described in (1) above and either (A) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation or (B) is not dismissed, discharged, stayed or restrained in each case within 30 calendar days of the institution or presentation thereof;

- (v) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets; or
- (vi) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter.

**Fund Modification** means, in respect of any Fund of Fund Share, (i) any failure by the Fund Adviser to act in accordance with the investment objectives, risk profile or investment guidelines of the Fund, (ii) any restriction placed on the ability of the Fund Adviser to buy or sell shares or other property by any regulatory body, (iii) any limitation on the ability of the Fund Adviser to buy or sell shares or other property by reason of liquidity, adverse market conditions or decrease in the assets of the Fund, and in any such case, in the opinion of the Calculation Agent such situation is unlikely to be corrected within a reasonable period of time or (iv) any change or modification of the Fund Documentation of the Fund that could in the reasonable opinion of the Calculation Agent be expected to affect the value of the interest in the Fund or the rights of any holders thereof from those prevailing on the Issue Date.

**Holding Event** means, in respect of any Fund, the capitalisation of such Fund falls so that the Issuer or any third party with whom the Issuer enters into a hedging transaction with regard to its obligations under the Notes holds on any Fund Business Day the relevant Fund Shares for an amount or a percentage specified as such in the applicable Final Terms or if no amount is specified the Holding Event shall be deemed greater than 10% of the capitalisation of such Fund on such Fund Business Day.

**Increased Cost of Hedging** means, where specified as applicable in the relevant Final Terms, unless otherwise determined in the relevant Final Terms and in respect of any Fund Share:

- (ii) that the Issuer or any third party with whom the Issuer enters into a hedging transaction with regard to its obligations incurred under the Notes would incur a materially increased (as compared with circumstances existing on the Issue Date) amount of tax, duty, expense or fee (other than brokerage commissions) to:
  - (I) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems

necessary to hedge the price risk relating to any Fund Share(s) within the Basket; or

- (II) realise, recover or remit the proceeds of any such transaction(s) or asset(s),

provided that any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of any hedging counterparty shall not be deemed as any such Increased Cost of Hedging; and

- (iii) the termination of any rebate agreement that may be entered into between the Issuer or any third party with whom the Issuer enters into a hedging transaction with regard to its obligation incurred under the Note and the Fund or any Fund Service Provider in relation to the subscription of Fund Shares.

**Nationalisation** means, in respect of any Fund, that all the interests in such Fund or all or substantially all the assets of such Fund are nationalised, expropriated or are otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**NAV Trigger Event** means, in respect of any Fund Shares, that:

- (ii) the reported value of such Fund Share has decreased by an amount equal to, or greater than, the Fluctuation Limit during the related NAV Observation Period or any period otherwise specified in the applicable Final Terms; or
- (iii) the relevant Fund Administrator or, as the case may be, Fund Adviser has violated any leverage restriction that is applicable to, or affecting, such Fund or its assets by operation of any law, any order or judgment of any court or other agency of government applicable to it or any of its assets, its Fund Documentation or any contractual restriction binding on or affecting the Fund or any of its assets.

**Redemption of Fund Shares** means that the Fund Shares are redeemed in accordance with their terms or notice of such redemption is given to the holders of the Fund Shares.

**Regulatory Action** means, with respect to the any Fund:

- (ii) a cancellation, suspension or revocation of the registration or approval of such Fund or its interests by any governmental or regulatory entity with authority over such Fund or its interests;
- (iii) any change in the legal, tax, accounting, or regulatory treatments of such Fund or its adviser or manager that in the reasonable opinion of the Issuer is suitable to have an adverse impact on the value of the interests in that Fund or on any investor therein; or
- (iv) such Fund or its administrator, adviser or manager becoming subject to any investigation, proceeding or litigation by any relevant governmental or regulatory authority involving the potential violation of applicable law for any activities relating to or resulting from the operation of that Fund.

**Reporting Disruption** means, in respect of any Fund:

- (ii) the occurrence of any event that, in the reasonable opinion of the Issuer, would make it impossible or impracticable for the Calculation Agent to determine the value of the interests in such Fund, and such event continues for at least five Fund Business Days;
- (iii) any failure of such Fund to deliver, or cause to be delivered, (1) information that that Fund has undertaken to deliver to the Issuer and/or the Calculation Agent, or (2) information that has been previously delivered to the Issuer and/or the Calculation Agent in accordance with that Fund's, or its authorised representative's, normal practice and that the Issuer deems necessary for it or the Calculation Agent to monitor that Fund's compliance with any investment guidelines, asset allocation methodologies or any other similar policies relating to that Fund.

**Strategy Breach** means any breach or violation of any strategy or investment guidelines stated in the Fund Documentation that is in the reasonable opinion of the Issuer suitable to affect the value of interests in the Fund or the rights of any holders thereof.

**Termination of any Fund Adviser and/or any Fund Administrator** means, in respect of any Fund, that (i) voluntary or involuntary liquidation, bankruptcy or any analogous insolvency proceedings including for the avoidance of doubt, bankruptcy, civil rehabilitation proceedings, corporate reorganisation proceedings, company arrangement or special liquidation are commenced with respect to this Fund Adviser or Fund Administrator or (ii) the appointment of this Fund Adviser or this Fund Administrator of such Fund is terminated in accordance with its terms or notice of such termination is given to the holders of the relevant Fund Shares or (iii) this Fund Adviser or Fund Administrator of such Fund fails to maintain or obtain, as the case may be, all required approvals and authorisations by the relevant financial and administrative authorities necessary to perform its obligations in respect of such Fund and such Fund Shares or (iv) it becomes illegal or impossible in the opinion of the Calculation Agent for this Fund Adviser or Fund Administrator of such Fund to continue to act as Fund Adviser or Fund Administrator of such Fund, and in any such case in the determination of the Calculation Agent no appropriate successor is appointed to act as adviser or administrator, as the case may be, of the Fund.

(2) Consequences

- (ii) If on or prior to the latest of the last Valuation Date, the last Averaging Date, the last Knock-in Determination Day or the last Knock-out Determination Day, as the case may be, a Extraordinary Fund Event as defined above occurs with regard to any Fund or any Fund Shares, then, if Essential Trigger is specified as not applicable in the relevant Final Terms, the Calculation Agent will be entitled, for the purpose of performing its obligations in respect of the outstanding Note, either to:



- (I) substitute such Fund Share with such interest in any other investment fund or other collective investment vehicle (the **Successor Fund Share**) which the Calculation Agent, using commercially reasonable efforts, has identified as being, with regard to its characteristics, investment objectives and policies, similar to those in effect for that Fund immediately prior to the occurrence of such Extraordinary Event, provided that the Calculation Agent shall:
  - (1) replace that Fund Share by a number of shares or units in the Successor Fund Share as represents the amount (the **Removal Value**) which would be derived from an order to redeem such Fund Share which has been submitted to that Fund on the Fund Business Day immediately following the occurrence of such Extraordinary Event (the **Replacement Date**);
  - (2) determine the Effective Date of such substitution with regard to dates which would be applicable to orders to redeem such Fund Share and to subscribe for Successor Fund Shares which would be given on or about the Replacement Date; and
  - (3) make such other modifications and adjustments to any terms of the Notes (including, but not limited to adjustments to account for any changes in volatility, investment strategy or liquidity relevant to such Fund Shares) as may be required in order to preserve the economic equivalent of the obligation of the Issuer under the Notes, provided that the Noteholders shall be informed without undue delay of the relevant modifications and/or adjustments; or (but not and)
- (II) make such modifications and adjustments to any terms of the Notes (including, but not limited to adjustments to account for any changes in volatility, investment strategy or liquidity relevant to such Fund Shares) as may be required in order to preserve the economic equivalent of the obligation of the Issuer under the Notes, provided that the Noteholders shall be informed without undue delay of the relevant modifications and/or adjustments; or (but not and)
- (III) if Monetisation is specified as applicable in the relevant Final Terms, to apply [the](#) Monetisation provisions set forth in Condition 24(f)(D) (Monetisation) below; or (but not and)
- (IV) if so specified as applicable in the relevant Final Terms, require the Issuer to redeem each Note at an amount per

Note equal to the Early Redemption Amount, provided that the Early Redemption Amount shall be payable by the Issuer on the tenth Business Day following notification by the Calculation Agent to the Issuer require the Issuer to redeem each Note at an amount per Note equal to the Early Redemption Amount.

- (iii) The Calculation Agent shall not be required to make an adjustment to the terms of the Notes if it determines that the theoretical change in value of the Fund Share resulting from the occurrence of one or more events listed in the provisions hereof above is less than or equal to three per cent. of the value of that Fund Share immediately before the occurrence of that event or those events.

If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by English Law, (i) the provisions of Condition 11 (Meeting of Noteholders and Modifications) of the Terms and Conditions of the English Law Notes in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 24 and (ii) the provisions of Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 24 and Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable. If Essential Trigger is specified as applicable in the applicable Final Terms and the Notes are governed by French Law, (i) the provisions of Condition 15 in relation to Essential Trigger and Discretion must also be satisfied in order for the Issuer or the Calculation Agent to be able to elect to adjust any provisions in relation to the Notes pursuant to this Condition 24 and (ii) the provisions of Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes must be satisfied in order for the Issuer to be able to terminate its obligations in relation to the Notes pursuant to this Condition 24 and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount or the amount to be paid to the Noteholders on the Early Redemption Date, as applicable.

(D) *Monetisation*

Means, if "*Monetisation*" is specified as applicable in the relevant Final Terms and the Calculation Agent in its sole and absolute discretion so elects but Essential Trigger is specified as not applicable in the relevant Final Terms, that in respect of the Final Redemption Amount, any Fixed Interest Rate, Floating Rate and Structured Note interest amount, the Issuer shall no longer be liable for the payment, (i) on any Interest Payment Date following the occurrence of a Monetisation Event, of the Fixed Interest Rate, Floating Rate and/or Structured Note interest amount initially scheduled

to be paid on such Interest Payment Date(s) and (ii) on the Maturity Date, of the Final Redemption Amount initially scheduled to be paid on the Maturity Date, but instead will, in full and final satisfaction and discharge of its obligations of payment under the Notes, pay on the Maturity Date an amount per Note as calculated by the Calculation Agent as of the Monetisation Date until the Maturity Date (the **Monetisation Amount**) and the product of:

- (i) the fair market value of a Note based on the market conditions prevailing at the Monetisation Date and, for any Note other than Notes listed and admitted to trading on any regulated market organised and managed by Borsa Italiana S.p.A. or offered in the Republic of Italy in the context of a public offer, adjusted to account fully for any reasonable expenses and costs of unwinding any underlying and/or related hedging and funding arrangements (including, without limitation, any equity options, equity swaps or other instruments of any type whatsoever hedging the Issuer's obligations under the Notes), and
- (ii) the Monetisation Formula.

In respect of any Fixed Interest Rate Notes and Structured Note interest amount for the purposes of determining the Monetisation Amount, no accrued unpaid interest shall be payable but shall be taken into account in calculating the fair market value of each Note.

For the purposes of this Condition 24(f)(D):

**Monetisation Date** means the date as of which the Monetisation provisions shall be effective, as determined by the Calculation Agent in its sole and absolute discretion and which shall be no earlier than the date of occurrence of the relevant Monetisation Event.

**Monetisation Event** means any event specified in this Condition 24(f) (Particular Provisions) which, in the determination of the Calculation Agent, triggers the Monetisation provisions, as set forth in this Condition 24(f) (Particular Provisions).

**Monetisation Formula** means the following formula:

$$(1 + r)^n$$

where **r** is an Interest Rate specified in the Final Terms; and

**n** means the period in years from the Monetisation Date to the Maturity Date.

If so specified in the applicable Final Terms, the Noteholders will receive no less than the amount of the Specified Denomination in the event of the application of the Monetisation Formula.

If Essential Trigger is specified as applicable in the applicable Final Terms, Condition 6(n) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the English Law Notes and Condition 6(l) (Early Redemption where Essential Trigger is specified as applicable in the Final Terms) of the Terms and Conditions of the French Law Notes applies to the determination of the Monetisation Amount.

(E) *Cut-off Date*

Provisions set out below are applicable if Separate Valuation is specified as applicable in the applicable Final Terms.

(1) Definitions

**Cut-off Date** means, in respect of any Valuation Date, the Schedule Trading Day which is the first of the Cut-off Number of Scheduled Trading Days immediately preceding such Valuation Date.

**Cut-off Number** means the number specified as such in the applicable Final Terms or if no number is specified the Specific Number shall be deemed equal to five.

(2) Consequences

Notwithstanding the provisions of Condition 24(f)(C) (Extraordinary Events), if a Fund Share Event occurs during the period from the relevant Cut-off Date to any Valuation Date (both dates inclusive), the relevant Final Price of the Affected Fund Share shall be the price determined by the Calculation Agent as being its good faith estimate of the fair market value of the Affected Fund Share.

(F) *Miscellaneous*

(1) If more than one of the events set out above occurs, the adjustments (if any) to the terms of the Notes for the second and subsequent events shall be to the terms of the Notes as adjusted for preceding events.

(2) In the event that a determination is made that the Notes will be settled by Redemption by Physical Delivery and on or after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day (but before the Settlement Date) a Potential Adjustment Event or an Extraordinary Event occurs, then the Issuer shall be entitled (but not obliged) upon immediate notice to the Noteholders to (i) delay the Settlement Date to such date that falls five Business Days following such event and (ii) cause the property comprising the Relevant Number of Fund Shares to be thereupon adjusted in accordance with the provisions hereof.

(3) As soon as reasonably practicable under the circumstances after making any adjustment or modification to the terms of the Notes in accordance with these Conditions, whether in the exercise of its own discretion or at the request of the Issuer, the Calculation Agent will give notice thereof to the Issuer and to the Paying Agent whereupon the Issuer or the Paying Agent shall notify the Noteholders of such adjustment or modification in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes .

(G) *Redemption by Physical Delivery*

(1) Definitions

**Clearance System** means, in respect of any Fund Share, indiscriminately the Deliverable Fund Share Clearance System, Clearstream or Euroclear.

**Clearance System Business Day** means, in respect of any Fund Share, any day on which each of Euroclear or Clearstream, as the case may be, and the relevant Deliverable Fund Share Clearance System is (or, but for the occurrence of a Settlement Disruption Event, would have been) open for the acceptance and execution of settlement instructions.

**Clearstream** means Clearstream Banking S.A. (or any successor thereof).

**Deliverable Fund Share** means the Fund Share specified as such in the applicable Final Terms.

**Deliverable Fund Share Clearance System** means, in respect of any Deliverable Fund Share, the principal domestic clearance system customarily used for settling trades in such Deliverable Fund Share, as determined by the Calculation Agent.

**Delivery Agent** means NATIXIS or such other agent as may be appointed by the Issuer as specified in the relevant Final Terms, which term shall include any successor or any agent acting on behalf thereof, as the case may be. The Delivery Agent will act solely as agent of the Issuer and will not assume any obligations to, or relationship of agency or trust for or with, the Noteholders. The Issuer reserves the right at any time to vary or terminate the appointment of the Delivery Agent and to appoint or not other Delivery Agent.

**Disruption Cash Settlement Price** means, in respect of any Note, an amount in the Specified Currency specified as such in the applicable Final Terms equal to the fair market value of a Note less (i) the Residual Cash Amount and, for any Note other than Notes listed and admitted to trading on any regulated market organised and managed by Borsa Italiana S.p.A. or offered in the Republic of Italy in the context of a public offer, (ii) (unless where Unwind Costs is specified as not applicable in the relevant Final Terms) the cost to the Issuer of unwinding any underlying related hedging arrangements, all as determined by the Calculation Agent, in its sole and absolute discretion.

**Euroclear** means Euroclear S.A./N.V. (or any successor thereof).

**Fund Minimum Tradable Quantity** means, in respect of any Fund, the number specified as such in the applicable Final Terms for such Fund. If no number is specified in the applicable Final Terms, the Fund Minimum Tradable Quantity in respect of any Fund shall be deemed equal to 1.

**Fund Share Reference Price** means, as specified in the relevant Final Terms (i) the amount per Deliverable Fund Share specified as such in the applicable Final Terms, (ii) the Initial Price of the Deliverable Fund Shares or (iii) the Ultimate Final Price.

**Integral Number of Deliverable Fund Shares** means, in respect of each Note, an integral number of Deliverable Fund Shares equal to the Relevant Number of Deliverable Fund Shares rounded downwards to the Fund Minimum Tradable Quantity; except if "Notes to be aggregated for the

purposes of determining the number of Deliverable Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "Integral Number of Deliverable Fund Shares" shall be deemed not applicable. For the avoidance of doubt the Integral Number of Fund Shares as of the Issue Date may be specified in the applicable Final Terms.

**Physical Delivery Reference Amount** means either (i) the Specified Denomination or (ii) the Final Redemption Amount, as specified in the applicable Final Terms.

**Physical Delivery Rounding Convention** means the method specified in the applicable Final Terms or, if such Physical Delivery Rounding Convention is not specified, the figure to be rounded shall be rounded upwards to the nearest third decimal.

**Prevailing Exchange Rate** means, in respect of any date specified in the applicable Final Terms, the cross currency rate specified as such in the applicable Final Terms which appears on the page designated in the applicable Final Terms. If such rate does not appear on the page designated in the applicable Final Terms, the Calculation Agent will determine the Prevailing Exchange Rate (or a method for determining the Prevailing Exchange Rate).

**Relevant Number of Deliverable Fund Shares** means, in respect of each Note and any Deliverable Fund Share, a number of such Deliverable Fund Shares equal to (i) the Physical Delivery Reference Amount multiplied by (ii) the specific Weighting (if any), (iii) the Prevailing Exchange Rate (if any) divided by (iv) the Fund Share Reference Price of the relevant Deliverable Fund Shares, subject to the Physical Delivery Rounding Convention and to adjustment from time to time in accordance with the provisions as set out above in this Condition 24(f); except if "Notes to be aggregated for the purposes of determining the number of Deliverable Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "Residual Number of Deliverable Fund Shares" shall be deemed not applicable.

**Residual Cash Amount** means, in respect of each Note, an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the Residual Number of Deliverable Fund Shares and (ii) the Ultimate Final Price of the Deliverable Fund Share divided by the Prevailing Exchange Rate (if any).

**Residual Number of Deliverable Fund Shares** means, in respect of each Note, a number of Fund Shares equal to (i) the Relevant Number of Deliverable Fund Shares minus (ii) the Integral Number of Deliverable Fund Shares, except if "Notes to be aggregated for the purposes of determining the number of Deliverable Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, in which case "*Residual Number of Deliverable Fund Shares*" shall be deemed not applicable. For the avoidance of doubt, the Residual Number of Deliverable Fund Shares as of the Issue Date is specified in the applicable Final Terms.

**Settlement Date** means the Maturity Date. If a Settlement Disruption Event does prevent delivery on that day, then the Settlement Date will be the first succeeding day on which delivery of the Integral Number of Deliverable Fund Shares can take place through the relevant Clearance System unless a Settlement Disruption Event prevents settlement on each of the five Clearance System Business Days immediately following the original date that, but for the Settlement Disruption Event, would have been the Settlement Date. In that case, (a) if the Integral Number of Deliverable Fund Shares can be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then the Settlement Date will be the first day on which settlement of a sale of the Integral Number of Deliverable Fund Shares executed on that fifth Clearance System Business Day customarily would take place using such other commercially reasonable manner of delivery (which other manner of delivery will be deemed to be the relevant Clearance System for the purposes of delivery of the relevant Integral Number of Deliverable Fund Shares), and (b) if the Integral Number of Deliverable Fund Shares cannot be delivered in any other commercially reasonable manner, as determined by the Calculation Agent in its sole discretion, then in lieu of physical settlement the Issuer may satisfy its obligations in respect of each of the relevant Notes by payment to the Noteholders of the Disruption Cash Settlement Price on the third Business Day following such fifth Clearance System Business Day. For the avoidance of doubt, where a Settlement Disruption Event affects some but not all of the shares or securities comprised in the Relevant Number of Deliverable Fund Shares, the Settlement Date for shares or securities not affected by the Settlement Disruption Event will be the Maturity Date. In the event that a Settlement Disruption Event will result in the delivery on the Settlement Date of some but not all of the shares or securities comprised in the Relevant Number of Deliverable Fund Shares, the Calculation Agent shall determine in its sole discretion the appropriate pro rata portion of the Disruption Cash Settlement Price which the Issuer, to satisfy its obligations in respect of each of the relevant Notes to the extent the Issuer has not already done so by delivery of shares or securities comprised in the Relevant Number of Deliverable Fund Shares, will pay to the Noteholders on the third Business Day following the fifth Clearance System Business Day.

**Settlement Disruption Event** means an event beyond the control of the Issuer or the Delivery Agent as a result of which (i) Euroclear or Clearstream, as the case may be, or the Deliverable Fund Share Clearance System cannot clear the transfer of the Deliverable Fund Shares or (ii) Euroclear or Clearstream, as the case may be, or the Deliverable Fund Share Clearance System ceases to clear all or any of such Deliverable Fund Shares.

**Ultimate Final Price** means the Final Price or, if there are several Valuation Dates, the Final Price in respect of the last Valuation Date or otherwise specified as such in the applicable Final Terms.

(2) Provisions

- (ii) In the case of Redemption by Physical Delivery, provided that notice of Redemption by Physical Delivery shall be made by the Calculation Agent or the Issuer to the Paying Agent and Euroclear

and/or Clearstream, as the case may be, on or immediately after the last Valuation Date or the last Averaging Date or the last Knock-in Determination Day or the last Knock-out Determination Day, each Noteholder shall not later than two Business Days before the Maturity Date (the **Delivery Notice Date**) (or on such earlier date as the Calculation Agent, acting in its sole discretion, shall determine is necessary for the Issuer and Euroclear and/or Clearstream, as the case may be, to perform their respective obligations under the Notes and which earlier date has been notified to the Issuer, and of which the Issuer shall then promptly inform Noteholders) send to Euroclear and/or Clearstream, as the case may be (in accordance with its then applicable operating procedures and accepted methods of communication), an irrevocable notice designating its security and cash accounts for the purposes of Redemption by Physical Delivery and details of such accounts at Euroclear or Clearstream or the Deliverable Fund Share Clearance System (the **Delivery Notice**).

- (iii) Unless Essential Trigger is specified as applicable in the relevant Final Terms, the Issuer shall be under no obligation to compensate or indemnify the Noteholder(s) for any delay or failure on the part of the Issuer or the Delivery Agent to deliver or procure the delivery of the Integral Number of Deliverable Fund Shares on the Settlement Date and/or to pay or procure the payment of the Residual Cash Amount on the Maturity Date to the Noteholder(s) to the extent Euroclear and/or Clearstream, as the case may be, does not receive the Delivery Notice from the Noteholder(s) on (or before, as may be applicable) the Delivery Notice Date or, to the extent that for any reason Euroclear and/or Clearstream fail, or fail within any relevant period, to transmit (whether or not in accordance with its then applicable operating procedures and accepted methods of communication) any notice by or on behalf of the Issuer or the Delivery Agent to its participants. Without prejudice to the preceding sentence and sub-paragraph (iv) below, in the event that Euroclear and/or Clearstream do not receive a Delivery Notice from a Noteholder on or before the tenth Business Day following the Maturity Date, the Issuer shall be entitled (but not obliged) to pay to such Noteholder, as soon as reasonably practicable on or following such date an amount, determined by the Calculation Agent in its sole and absolute discretion and notified to the Issuer, the Paying Agent, Euroclear and/or Clearstream, as the case may be (to be communicated by them to the relevant Noteholders) in writing promptly following such determination, equal to the fair market value of such Integral Number of Deliverable Fund Shares and/or the Residual Cash Amount at the date determined in good faith by the Issuer, in full satisfaction of its obligations under such Notes.
- (iv) A Delivery Notice once delivered to Euroclear or Clearstream, as the case may be, shall be irrevocable and may not be withdrawn without the consent in writing of the Issuer. A Noteholder may not



transfer any Note that is the subject of a Delivery Notice following delivery of such Delivery Notice to Euroclear or Clearstream, as the case may be.

- (v) A Delivery Notice shall only be valid to the extent that Euroclear and/or Clearstream, as the case may be, have not received conflicting prior instructions in respect of the Notes that are the subject of the Delivery Notice. Failure properly and timely to provide a Delivery Notice may result in such notice being treated as null and void. Any determination as to whether such notice has been properly provided shall be made by Euroclear and/or Clearstream, as the case may be, after consultation with the Issuer and shall be conclusive and binding on the Issuer and the relevant Noteholder. If a Delivery Notice has not been provided properly and timely, the Issuer or the Delivery Agent shall not be obliged to make any payment or delivery in respect of the Notes which are the subject of the Delivery Notice.
- (vi) Receipt by Euroclear and/or Clearstream, as the case may be, of a valid Delivery Notice shall be deemed to constitute (a) written confirmation of an irrevocable election and undertaking by the relevant Noteholder to select the account at Euroclear or Clearstream or the Deliverable Fund Share Clearance System specified therein and (b) an undertaking by the relevant Noteholder to pay any costs, applicable value added or sales taxes, transfer taxes, stamp duties and other taxes and duties due by reason of delivery of the Integral Number of Deliverable Fund Shares to the account at Euroclear or Clearstream or the Deliverable Fund Share Clearance System or to reimburse Euroclear or Clearstream, as the case may be, or the Deliverable Fund Share Clearance System in respect of any such costs, taxes or duties.
- (vii) In the event that any Note is not represented by a Global Note or Global Certificate held on behalf of Euroclear or Clearstream, as the case may be, the Issuer or the Delivery Agent shall procure that notice shall be provided to the relevant Noteholders in accordance with Condition 14 (Notices) of the Terms and Conditions of the English Law Notes and Condition 13 (Notices) of the Terms and Conditions of the French Law Notes, describing the method by which an account at the Deliverable Fund Share Clearance System shall be irrevocably designated for such Noteholders and such designation shall be binding on the Issuer and such Noteholders.
- (viii) Upon receipt of such Delivery Notice, Euroclear and/or Clearstream, as the case may be, shall (a) verify that the person specified therein as the Noteholder is the holder of the specified principal amount of Notes according to its books (provided that if such verification shows that such person is not the Noteholder according to its books, the Delivery Notice shall not be valid) and (b) in accordance with its then applicable operating procedures, send a copy of the Delivery Notice to the Issuer, the Delivery Agent

and such other persons as the Issuer or the Delivery Agent may previously have specified.

- (ix) The nominal amount of a number of Notes delivered by the same Noteholder for redemption shall not be aggregated for the purpose of determining the number of Deliverable Fund Shares to be delivered in respect of such Notes. However if the paragraph "Notes to be aggregated for the purposes of determining the number of Deliverable Fund Shares to be delivered" is specified as applicable in the applicable Final Terms, then the Notes delivered by the same Noteholder for exchange shall be aggregated for the purpose of determining the number of Deliverable Fund Shares to be delivered in respect of such Notes. In such case, the Deliverable Fund Shares deliverable to a Noteholder in respect of the Notes held by it will be a whole number of the Fund Minimum Tradable Quantity provided that where the number of Deliverable Fund Shares which would otherwise be deliverable hereunder includes a fraction of the Fund Minimum Tradable Quantity, the number of such Deliverable Fund Shares shall be rounded downwards to the nearest Fund Minimum Tradable Quantity and the cash equivalent of such fraction (the **Additional Cash Amount**) will be paid to this Noteholder. The Additional Cash Amount shall be an amount in the Specified Currency specified in the applicable Final Terms equal to the product of (i) the above mentioned fraction and (ii) the traded NAV as of the close of trading published by the Fund (or its Fund Service Provider that generally determines such value) on the date specified in the applicable Final Terms or, if such NAV is not available in the sole opinion of the Calculation Agent on such date, the NAV determined by the Calculation Agent in its sole and absolute discretion.
- (x) Delivery of any Deliverable Fund Shares is subject to all applicable laws, regulations and practices and neither the Issuer nor the Delivery Agent shall incur liability whatsoever if it is unable to deliver or procure the delivery of the Deliverable Fund Shares to the Noteholder because of any such laws, regulations or practices. Neither the Issuer nor the Delivery Agent shall under any circumstances be liable for any acts or defaults of Euroclear and/or Clearstream, as may be applicable, and/or the Deliverable Fund Share Clearance System in relation to the performance of the duties in relation to the Notes, including but not limited to the delivery of the Deliverable Fund Shares to the Noteholder.
- (xi) After delivery by the Issuer or the Delivery Agent to the relevant Noteholder(s) through Euroclear and/or Clearstream, as may be applicable, and/or the Deliverable Fund Share Clearance System of the Deliverable Fund Shares (if applicable) and for such period of time as the Issuer or its agent or nominee shall continue to be registered in any clearance system or otherwise as the owner of the Deliverable Fund Shares (the **Intervening Period**), neither the Issuer nor its agent or nominee shall:

- (I) be under any obligation to deliver to such Noteholder(s) or any subsequent beneficial owner of the Deliverable Fund Shares any letter, certificate, notice, circular, dividend or any other document or payment whatsoever received by the Issuer or its agent or nominee in its capacity as the holder thereof; or
  - (II) exercise any or all rights (including voting rights) attaching to such Deliverable Fund Shares or part thereof during the Intervening Period without the prior written consent of the relevant Noteholder(s), provided that neither the Issuer nor its agent or nominee shall be under any obligation to exercise any such rights during the Intervening Period; or
  - (III) be under any liability to such Noteholder(s) or any subsequent beneficial owner of the Deliverable Fund Shares in respect of any loss or damage which such Noteholder(s) or subsequent beneficial owner may sustain or suffer as a result, whether directly or indirectly, of the Issuer or its agent or nominee being registered in such clearance system or otherwise during such Intervening Period as legal owner of the Deliverable Fund Shares.
- (xii) The Issuer or the Delivery Agent shall not be under any obligation to register or procure the registration of any holder of any Note, or any other person acting on behalf of such holder, or any other person, as the registered holder of any Deliverable Fund Shares in respect of such Note.
  - (xiii) No right to dividends on the Deliverable Fund Shares will accrue to Noteholders prior to the Settlement Date.

(H) *Range Accrual*

(1) Definitions

**Range Accrual Rate** means, in respect of any Monitoring Period, a rate determined by the Calculation Agent, expressed as a percentage, equal to the number of Triggering Days comprised in this Monitoring Period divided by the number of Monitoring Days comprised in this Monitoring Period.

**Monitoring Day** means, in respect of any Monitoring Period, any day comprised in such Monitoring Period that is a Scheduled Trading Day for each Fund Share comprising the Basket or for the Triggering Fund Share, subject to Consequences of Disrupted Day(s) set forth below.

**Monitoring Period** means any period which commences on, but excludes, any Reference Date and ends on, and includes, the immediately following Reference Date provided that for the avoidance of doubt the first Monitoring Period will commence on, but exclude, the first Reference Date and the last Monitoring Period will end on, and include, the last Reference Date.

**Number of Monitoring Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period.

**Number of Triggering Days** means, in respect of any Monitoring Period, the number of Monitoring Days comprised in such Monitoring Period which are Triggering Days.

**Reference Dates** means the dates specified as such in the applicable Final Terms or, if any of such dates is not a Monitoring Day, the next following Monitoring Day.

**Triggering Day** means either:

- (ii) if Separate Valuation is specified as applicable in the applicable Final Terms and, in respect of the Triggering Fund Share comprising the Basket, any Monitoring Day where the NAV per Triggering Fund Share as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Trigger Price; or
- (iii) if Separate Valuation is specified as not applicable in the applicable Final Terms and, in respect of any Fund Share comprising the Basket, any Monitoring Day where the amount for the Basket determined by the Calculation Agent equal to the sum of the values for the Fund Shares of each Fund as the product of (i) the price of such Fund Share as determined by the Calculation Agent as of the Trigger Valuation Time on such Monitoring Day and (ii) the relevant Weighting is, as specified in the applicable Final Terms, (i) "greater than", (ii) "greater than or equal to", (iii) "less than" or (iv) "less than or equal to" the Trigger Price.

**Trigger Price** means either:

- (ii) if Separate Valuation is specified as applicable in the applicable Final Terms and, in respect of any Fund Share comprising the Basket, the NAV per such Fund Share specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth above in this Condition 24(f); or
- (iii) if Separate Valuation is specified as not applicable in the applicable Final Terms and, in respect of any Share comprising the Basket, the price per Basket specified as such or otherwise determined in the applicable Final Terms, subject to adjustment from time to time in accordance with the provisions set forth above in this Condition 24(f).

**Triggering Fund Share** means, in respect of any Monitoring Day, the Fund Share specified as such in the applicable Final Terms.

**Trigger Valuation Time** means, in respect of any Fund Share, the time or period of time on any Monitoring Day specified as such in the applicable Final Terms or in the event that the applicable Final Terms do not specify a Trigger Valuation Time, the Trigger Valuation Time shall be the Valuation Time.

(2) Consequences

If "*Range Accrual*" is specified as applicable in the Final Terms, then the provisions comprised in this Condition 24(f)(H) shall apply to any Interest Amount and/or the Redemption Amount subject to the determination of the relevant Range Accrual Rate.

(3) Consequences of Disrupted Days

If any Monitoring Day is a Disrupted Day in respect of any Fund Share, then such Monitoring Day will be deemed not to be a Monitoring Day and shall be accordingly disregarded for the determination of the Number of Monitoring Days and the Number of Triggering Days.